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Membership Recruitment and Retention and Non-Dues Revenue Manual

Final Report
June 2005

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Getting the Most Out of this Manual

Who is this Manual for?

This manual is specifically targeted to Jordanian business association chief executives and their membership directors in addition to volunteer leaders serving on or chairing a Membership Committee. It is based on best practices garnered from Jordan and around the world. This manual is divided into the following three sections:

- Membership Recruitment
- Membership Retention, and
- Nondues Revenue Activities

This manual is intended as:
- A reference for membership directors and chief executives fulfilling the membership recruitment and retention role;
- A tool for association staff and volunteer leaders who are looking for guidance in membership recruitment and retention and nondues revenue activities;
- A guide to help associations assess their membership recruitment and retention efforts and to see where they need to make effective changes based on best practices.
- A resource for generating new ideas for sources of non-dues revenue.

Keep the Manual Handy

Every member of an organization's Membership Department, the Chief Executive Officer, and members of the Membership Committee should have a copy of this Manual. Reference copies should also be available to other staff and Board members who need to understand the important role of membership recruitment and retention and gain knowledge on specific topics.

Best Practice Examples

In this Manual, you will see a number of tools, templates, and links to websites from various association examples related to membership recruitment and retention. These tools have been included to illustrate and to offer suggestions on how Jordanian business associations may want to rethink or enhance their current membership packages and makes changes based on best practices.

Why Membership Development is Important

At the heart of any association is the strength of its membership, the very reason why the organization exists. A growing, stable membership is vital for better serving the mission and accomplishing the goals of the association.

Membership growth means strength - the greater the share of market, (existing members as a percentage of potential members), the greater the resources, expanded influence, and potential benefit to the industry, trade or profession.

New members mean new energies, new ideas and a new generation of members with needs more representative of the future than the past or present.

Membership growth also means satisfied members. When the association is doing a good job meeting the needs of its members and providing valuable products and services, those members will continue to renew. Success in retention is an excellent gauge of an all-important membership value: "customer or member satisfaction."

Membership Eligibility

Eligibility to join is shaped by the mission or purpose of the association, and persons or companies engaged in its primary activity are eligible to join. Membership is a privilege that can be granted or denied by the association by strictly applying the definitions of its bylaws, (i.e., rules adopted by the association that, among other things, define membership qualifications, membership classes, admission procedures, and expulsion or resignation procedures).

However, should denial be unreasonable and result in financial damage, restraint of fair trade or otherwise damage to an individual or company, legal redress ensures that all persons or companies within the definition of the bylaws hold the "right of membership."

Eligibility for membership must therefore be carefully defined in an organization's charter, constitution, and/or bylaws to include all individuals or organizations which share the common goals or interest that form the reason for which the association exists.

See the Section on "Membership Restrictions" below which discusses the typical types of restrictions that can be defined in the bylaws that usually do not offend or bring lawsuits against associations, striking the balance between being focused and gaining new members.

Membership Restrictions

In the book, *Association Law Handbook*, published by ASAE, the author writes that almost every association seeks to attract as members the greatest number of businesses or practitioners in the trade or profession represented by it. To obtain broad participation is beneficial to an association because:

- it maximizes revenue and minimizes the share of expenses borne by each member.
- it assures an association access to a cross-section of firms or individuals in the trade or profession and to a sufficient number of interested and active participants in the association's activities, and
- it allows the association to approach government entities and other organizations as a true spokesperson for the trade or profession. The greater the number of members, the greater the impact and voice representing a particular profession or industry.

Thus, according to best practices, there are many advantages of having a wide representation of membership within the association. Any policy to arbitrarily or unnecessarily limit association membership seems ill-advised and can be suspect.

In the United States, there can be serious legal problems for an association which unreasonably restricts membership. Associations exist to provide information and services which enable firms to do business more successfully and enable practitioners to be more proficient in their professions. Because belonging to an association is beneficial, competitors of the association's members may be placed at an unfair disadvantage if denied access to the information and services received by those members. In the United States, a significant impairment of the ability to even one nonmember to compete with those who are members of an association could be a violation of the antitrust laws. See Appendix A for information on the antitrust laws in the United States.

In general, associations may restrict membership to:

- Persons or companies engaged in the same profession, trade or industry;
- Personal engaged in a particular functional level within the same trade or profession;
- Those engaged in a trade or business within some recognized geographic boundary;
- Persons or companies who share a common cause; and/or
- Persons or companies who are willing to adhere to a code of ethics and able to promptly pay dues.

Additional qualifications for association membership may or may not be reasonable restrictions depending upon whether they arbitrarily exclude legitimate persons or firms in direct competition with members. Types of membership qualifications which must be assessed on this basis include:

- Requirements that members meet some minimum size in terms of sales, employees, production, etc.

- Requirement of minimum percentage amounts of total business or practice of members that must be engaged in the trade or profession represented by the association (e.g., at least 80 percent of firm sales must be in widget manufacturing).
- Requirements for minimum number of years in which members must have engaged in the trade or practiced in the profession represented by the association.
- Requisite educational background or achievement of certification, accreditation or other private or governmental credentialing.
- Requirement that members must manufacture goods in (name of country).

It is important to avoid operating as an "elite club" in which only certain types of individuals or companies currently belong to the organization. If the association is going to be truly representative of the entire profession or industry within Jordan, then its members will need to adopt a new mindset that encourages membership at all levels and at various stages of development within their profession or industry.

Issues to Consider For Expanding Membership Base

When an association seeks to increase membership, here are some questions the association's leadership should ask:

- Will this potential new membership segment help to advance our organization's mission and goals?
- Have we conducted sufficient research to know how large this potential new market segment is?
- Do we know the needs and interests of this new membership segment? How do these needs or interests conflict or complement the needs and interest of our existing membership segments?
- Will our existing staff be able to service and support a new membership segment?
- What changes will we need to make to our association's bylaws, governance structure, and portfolio of products and services by adding this new membership segment?
- Will we still be able to create a sense of belonging with this new membership segment?

Best Practice Examples

Here are three good examples of membership eligibility requirements associations have required of their members that encourage participation but also require a standard to be met by the member:

1. Document and Management Industries Association (DMIA) – a trade association (http://www.dmia.org)

"Subject to the discretion and approval of the Board of Directors, as governed by these Bylaws, membership may be granted to a qualifying proprietor, firm, partnership, franchise, corporation, or division. At a minimum, applicants must:

a. conduct business operations ethically;
b. show evidence of financial stability; and
c. agree to conform to the DMIA Bylaws and subscribe to DMIA philosophy."

2. Society of Competitive Intelligence Professionals (SCIP) – a professional society (http://www.scip.org)

"Membership in the Society shall be open to any individual who submits a completed application, pays the required annual dues, shares an interest in the field of competitive intelligence and agrees to uphold the Society's Code of Ethics."

3. American Chamber of Commerce in Jordan (http://www.jaba.org/jo)

"To be a General Member, membership in this category is open to:

- American companies with branches, agents, or representative offices in Jordan.
- Jordanian companies with American equity.
- Jordanian companies or individuals who have significant business relationship with the US, and registered Jordanian agents of American companies.
- US citizens who are residing in Jordan & have significant business or professional relationships with the US."

Membership Classifications

Associations frequently separate their membership into several classes or categories in order to distinguish the varying rights and obligations of different types of members. Each membership type may have a different dues structure. Likewise, they open separate their membership in order to facilitate communication and activities among certain members whose concerns and interests are not shared by all the members. Membership classifications may help reach a broad market of persons or companies interested in the association while limiting the duties and rights of some.

There are two general types of membership classifications:

- Individual Membership Classification – individual membership is defined as a one-to-one relationship: one person, one membership.

- Organizational or Corporate Membership Classification – this classification is most common in trade associations in which the company or organization is the member. Corporate members represent a business, partnership or corporation actively engaged in the manufacture or supply of goods or services to a particular industry. Corporate members can also be corporate sponsors (financial underwriters) for various events and activities of the association.

Membership Categories

Within the two broad membership classifications above are the following membership categories which reflect a developmental stage of the member. These include:

Regular or General member: These are full members of the association who may be either companies or individuals. Regular or General members are the primary stakeholders in an organization. Because they have the single largest investment in the organization in the form of dues paid, general or regular members are afforded all the rights and privileges as defined in the governing documents, including the right to vote and hold office, serve on committees, and received discounted fees for educational programs, publications, etc. A company may designate an individual as its primary member, exercising the company's right to vote and hold office.

Associate member: Persons working in and interested in the profession or industry but are not qualified for regular membership. Because their involvement with the organization is peripheral, they are not considered stakeholders. A consultant, a wholesaler, or an educator is examples of this category. Associate members are usually eligible for specified or limited benefits and are not eligible to vote. Access to information, publications, and some limited discounted fees are appropriate benefits.

The **Institute of Management Consultants of Jordan** has an associate membership category. See: http://www.imc.com.jo/typesofmembership.cfm

Affiliate member: Persons employed by company members other than the designated company representative. Affiliate members usually are not able to vote or hold office.

The **American Chamber of Commerce in Jordan**, among other member categories, has an affiliate member category. See http://www.jaba.org.jo/membership.asp#3

Supplier/Vendor member: Firms that provide products or services to regular or general members. Since they expect to benefit as the association supports the success of its members, they are also expected to pay significantly higher dues. The benefits of membership for supplier members must go beyond the opportunity to sell products and services.

Supplier/vendor members need to be given opportunities to be a **corporate sponsor,** and support the organization such as **sponsoring** public relations and information outreaches, scholarships, receptions, recognition meals, research activities, and legislative or government relations activities.

Other benefits of supplier/vendor membership include discounting advertising rates; selection of exhibit space at trade shows; sponsorship of special events, including awards programs, and other activities that allow the association to allocate resources toward programs and services.

Student member: Persons with student status but interested in the field may join but not vote or hold office. Most associations offer a dues discount to encourage students' participation as prospective future regular members. Associations usually offer student members educational support as well as career development and employment assistance.

The **Jordan Inbound Tour Operators Association** has a combined associate and student membership category. See: http://www.jitoa.org/main.html

Honorary member: A special category of membership used to recognize an individual who has been a supporter or advocate of the profession and has sustained a record of service. Associations traditionally use the honorary classification to edify the profession. Honorary membership has no dues associated with the category. The true value to associations is the honor of a relationship with the individual named as a member.

The **Institute of Management Consultants of Jordan** has an honorary membership category. See: http://www.imc.com.jo/typesofmembership.cfm

Life member: Life membership is usually conveyed to individuals who have spent a certain number of years as general or active members within the association. Some associations offer a lifetime membership for a lump sum payment. One of the benefits of this category is the elimination or reduction of dues.

Inactive Member: There are times when maintaining membership in an association becomes difficult because of employment, illness, or other circumstance. These are the times when the services and benefits become even more important. An association may grant a member temporary inactive status and waive membership fees. Inactive membership is reviewed periodically, and the member is asked to requalify to maintain active status.

Retired Member: Retired membership recognizes those who have retired from the profession or industry, but who wish to remain active and continue to network with peers and colleagues. The benefits associated with this category reflect a reduction in fees and services. Criteria for this category may include a combination of age, income, and years of membership.

International Member: Reserved for members who reside outside the country from where the association is located. International members are actively involved in the profession, trade or mission of the organization and qualify for general membership.

However, benefits of this category are usually limited. International member fees are generally less than those of a general member. The opportunity to fully participate is limited by geography, unless the association is large enough to support international travel or meetings.

Virtual or Electronic Member: This membership is reserved for individuals who wish to participate and receive educational materials and other benefits from the association electronically or via the association's website. Dues rates are usually lower because postage and printing costs are virtually eliminated for the association.

Best Practice Examples

Some organizations encourage a broader participation of individuals and companies by creating different membership categories. Here are some good examples:

1. Geospatial Information & Technology Association (GITA) – a professional society (http://www.gita.org)

GITA offers membership to Individual Members for US$125 but they have also created a Small Business Affiliate membership category. The Small Business Affiliate category is available to all individuals engaged in providing products or services in the field of geospatial information and technology, providing that the organization for which the individual works employs five (5) or fewer persons in any capacity (fulltime, part time, subcontract, etc.), and who are willing to pay annual small business affiliate dues to the Association.

2. International Trademark Association (INTA) – a combination association representing both companies and individuals (http://www.inta.org)

ITA offers Regular Membership at US$850 to corporations, associations or individuals that own one or more trademarks, service marks or certification marks. They also offer Regular Reduced Membership for US $575.00. Regular Reduced membership is available to corporations, associations or individuals that own one or more trademarks, service marks or certification marks, but have gross annual sales of US $100 million or less, or that are academic institutions.

3. Information Technology Association of Jordan (INT@j) – a trade association representing companies (http://www.intaj.net)

int@j membership is open for value-added software and IT service companies that contribute to promoting the industry, either through software development, training, web design, internet services, packaging, marketing or other merited services.

int@j offers two types of membership: Affiliate Member: JD 580, and Working Member: JD 1,740 (inclusive of 16% sales tax)

The principal distinction between the two types of membership lies in the right of voting granted solely for Working Members. Any Working Member has the capacity to vote during general assemblies, board elections and any other occurring event that may require a vote.

4. The American Chamber of Commerce in Jordan (Amcham) – (www.jaba.jo)

AmCham offers four types of membership categories with four different dues structures:

- Platinum – for companies with over 100 employees - JOD 812
- Corporate – for companies under 100 employees - JOD 360
- Individuals – comprised mostly of consultants – JOD 360
- Not-for-Profit Organizations – JOD 139
- Affiliates (non-governmental organizations, government agencies, and individuals with non-voting rights) – JOD 139

See Appendix B for an example of the different membership categories offered by the American Society of Association Executives (ASAE), including supplier/vendor member, and the specific benefits of each category.

See Appendices C and D for sample membership categories and packages for professional and trade associations.

Questions to Ask your Association

1. What mindset may need to be changed within your membership so that you can encourage everyone in your profession or industry to join your association?
2. What are your association's membership eligibility requirements and do they include adhering to a Code of Ethics?
3. What kinds of research need to be conducted within your organization to explore offering additional categories of membership at reduced dues amounts that would encourage more individuals or companies to join your organization?

Membership Dues

Definition: the monetary amount that an individual or firm pays to belong to an association for a specified period of time.

Payment of dues as established by the bylaws or approved by the board of directors is a condition of membership in good standing. The association reserves the right to declare any member as "dropped for nonpayment of dues" or simply "inactive." This action is usually automatic if dues are more than 90 days past an annual expiration date.

The **dues base** are the units or entities on which dues are measured (e.g., flat rate, sales volume, income, profits, number of employees, units of production, units of equipment, etc.)

Three of the most common ways to calculate membership dues:

1. **Fixed or flat amount –** (most common for individual membership organizations) – An amount is set for each class of member (ie, regular members have one rate; supplier members have another rate, etc.) One example is the American Society of Association Executives. They charge US$275 for an association executive member, and US$375 for a supplier or associate member. (http://www.asaenet.org)

The flat or fixed rate is the most popular for organizations representing individuals. It is the easiest to administer but it is also the least equitable. All members in a class pay the same regardless of income or position.

2. **Percentage –** (usually found in organizations representing companies). Based on percentage of number of units sold or volume of sales.

The percentage rate based on total volume of sales is the most popular dues rate used in organizations representing companies. The percentage rate is equitable and responsive to inflation. In addition, the assumption for percentage rates is that the larger the company, the greater the benefit from the association. Company members may have a percentage rate for the company but a fixed rate for the employee members under company memberships.

3. **Formula –** (found in organizations representing companies). Base amount plus a percentage.

Some associations have an initiation fee as well as annual dues. It is paid only one time at the point of joining. However, an incentive to pay dues can be a requirement for lapsed members to pay the initiation fee again when they renew.

Five Reasons for Changing the Way Your Organization Calculates Dues

- Base (units are entities on which dues are measured – see above definition) is too complicated (members make errors in computing their dues).
- Base provides insufficient funds.
- Changes in the industry or organization have outdated the current dues base.
- Member report basis for dues inaccurately.
- Members need a more equitable dues base.

How Much Should an Association Charge for Membership Dues?

The answer to this question will vary considerably by the type of association and composition of its members. An individual member in a professional association will usually have smaller basic dues than a trade association serving companies in a particular business of industry, the latter often a varying amount based on gross sales. Here are some examples to illustrate the differences in how professional versus trade associations charge for dues.

Best Practice Examples

1. To join the **Society of Competitive Intelligence Professionals (SCIP)**, **(http://www.scip.org)** an individual membership organization, the membership rate is US$295 plus a one time initiation fee of US$50.

2. To join the **Young Entrepreneurs Association of Jordan (http://www.yea.com.jo),** another individual membership organization, the membership rate is 75JD plus a one-time initiation fee of 100JD.

3. However, to join the **National Glass Association, (http://www.glass.org)**, a business trade organization that represents firms or corporations engaged in the manufacture, sale, installation, distribution, fabrication, replacement or repair of architectural and automotive glass products, the dues are based on a company's gross annual sales. Membership dues for a company range from US$275 for annual sales under $1 Million to US$4,400 for annual sales over $50 Million.

Among the considerations to "how much" is what market research indicates as a dues rate affordable by a majority of those eligible to join. Affordability, established by research, isn't enough. Next is the perception of needs to be served. Services and activities serving those needs, linked to affordability, produce the optimum dues for an association.

In emerging economies, it is sometimes necessary to temporarily reduce dues to keep the association "alive" and active. Staff salaries may be reduced by necessity. In addition, associations may want to consider offering different levels of service according to the amount of dues they are willing to pay.

For example, if an association is trying to attract a group of potential members that don't have the income to pay for dues, consider a new category of membership such as "member in business three years or less," or a lower new member rate for "the first three years of belonging to the association.."

Dues Increases

It is important that any dues increase or change in structure be:

1. a well-thought out plan, supported by a strong rationale, and supported by member survey, if appropriate.

2. thoroughly explained to the membership in advance.
3. done routinely, in modest segments following a pre-planned schedule, rather than large, unexpected increases required by crisis or repeated budget deficits.

Percentage of Dues that Comprise Association's Total Gross Revenue

Since the American Society of Association Executives (ASAE) published its last Operating Ratio Report nearly four years ago based on survey of U.S. based associations, membership dues have remained the largest single source of association revenue. Dues come mostly from regular members, as many associations have relatively few (if any) associate, supplier or other members.

In ASAE's most current *Operating Ratio Report* – 12th Edition, published in 2003, here is the breakdown showing the percentage of total gross revenue from membership dues from 1977 to 2002: (an average from all surveyed associations)

Year	Dues as % of Total Gross Revenue
1977	54%
1988	38%
1993	33%
1996	36%
1999	35%
2002	29%

As seen in the table above, membership dues have comprised a smaller proportion of the overall association revenue across the past several years. Nearly 30 years ago, more than half of an association's revenue was derived from membership dues. Today, less than one-third of overall revenue. The decline in dues as a proportion of total association revenue is generally true for association regardless of revenue size, tax status, membership type or geographic scope.

<u>However, revenue size and staff size are two additional characteristics that play in the membership dues ratio.</u>

For example, in this same ASAE Operating Ratio Report, associations that have budgets less than US$500,000, the dues as percentage of total gross revenue equal 62% - more than double the percentage seen above (29%) from the average of all types of U.S. based associations that were surveyed.

<u>**Therefore, the smaller the revenue and staff sizes, the more likely it is that the association will rely on membership dues for financial sustainability; the reverse is also true. Associations with greater revenue have more financial and human resources to pursue nondues revenue opportunities.**</u>

Here is the Breakdown of Jordanian Business Associations:

Revenue Type	Current Situation – Dues as Percentage of Total Gross Revenue	Sustainable Situation – Dues as Percentage of Total Gross Revenue
Membership Dues	10-15%	25-30%
Non Dues	0-5%	70-75%
Donors	80-90%	0%

Membership Benefits

Members join organizations for a wide variety of reasons. Most likely they joined your association because someone asked them to do so, they are seeking a specific benefit, or they are employed in a profession or industry served by the association.

Often members and prospective members are searching for a solution to a problem or need. In many areas there are multiple associations that may be able to meet the needs of these individuals. They will compare the benefit offerings of different associations and the ability of these offerings to meet their perceived need. To the extent that your association provides the best fit at the best price, the member will join and remain a member. "Shopping around" among associations for the best fit in terms of benefit offerings and price is becoming the norm.

The benefits you offer are a critical component of your ability to recruit and retain members. Therefore, you must continually monitor benefit offerings and whether benefits continue to meet the needs of members and potential members. At the same time, you must pay attention to the cost of providing such benefits and the value of individual members or groups of members to the association. Benefit life cycle analysis will help you review what is offered and determine how attractive these benefits are to your members. Analyzing the value of an individual member or groups or members to the association will help you provide an attractive mix of benefits at a cost that won't bankrupt the organization.

Benefits Sought by Members

Benefits, like every product, have a life cycle. Knowing where each benefit is in the life cycle is the key. There are two key measures, of any benefit, that should be measured routinely.

1. You should establish a profit standard for each benefit. This profit standard may be a reasonable loss, but it should be a known measure. If the benefit falls below

the profit standard point, it should be closely analyzed to determine whether the profit point still holds in the current environment or if the benefit should be changed or discontinued.

2. The value of each benefit to your membership should be determined, and there should be an established point at which the benefit should be fully analyzed for change or discontinuation. Knowing when a benefit is less valuable to your members could help you avert a decline in membership. The benefit may no longer be relevant to your members or there may be a new benefit that should be developed to better fit members' emerging needs.

Questions

Are the member benefits you now provide still attractive to members? Are these benefits meeting the needs of forward-thinking members who are on the leading edge of their profession or industry? Associations of every type must know which benefits are attractive to which groups and the costs involved with providing those benefits. The costs involved with providing benefits are an important part of members' value to your association.

Members' Value to the Association (Cost to Service Members)

You must consider how to meet the broadest possible range of members' needs without bankrupting the organization. Only in this way will the exchange be mutually satisfying.

You should compute the dollars required to provide benefits and services to a member. See the formula on "Cost of Serving Members" under the Retention section of this manual. For marking and long-term reasons, you may decide to offer membership at a loss to a group – called opportunity cost. However, you need to be aware of how much money is lost on each member because these funds are no longer available to other programs.

The cost of each member is as important as the value of each member.
Member valuation requires a focus on the member as the association's most important asset. Economic analysis of all members to determine who have high value and who have low or negative is essential to understanding your association's economics. Although you may actually lose money providing benefits relative to the dues collected for a group of members, the value analysis may show an extremely positive number due to attendance at meeting, purchases of products, and volunteer activities.

High-Value vs. Low-Value Members

Segmenting membership by value to the organization is useful in considering future marketing strategies. Once the value of each member is determined, you can determine the strategy for dividing the association's resources. High-value members may be targeted with more resources, while low-value members may receive few resources due to a lower anticipated return on these invested resources. Although it is not the way most associations consider members, consideration as a economic unit is crucial to the long-term health of the association.

You need to consider whether you can afford a strategy of maximizing the number of members. Depending on your goals and assuming you have limited resources, you may choose to set the dues at a level that maximizes the number of high-value members.

The Value of Being a Member

Within your association, you have placed a price on membership. This price is the dues amount for your members. Each member has to decide whether appropriate value is being received for the price of dues. In some cases, the answer will be that the member is receiving outstanding value and in others, the value of membership is less clear.

How Members Perceive Value

Members place a specific value on their membership in an association. Often they cannot articulate a specific money amount that value represents, but they can tell you if they feel they are receiving value for money paid.

Members are usually receptive to information provided about the value of their membership. Some associations provide this information with dues renewal invoices or print it in publications. It can be something as simply a one-page document that states:

"How your Association Dues are Providing Valuable Services to Your Members" and then listing specific products and services you offer, or recent advocacy initiatives, or upcoming educational events, etc. It is important that you provide this type of reinforcement to members regularly.

Providing Value to Meet Members' Needs

Assuming you have the resources, you should constantly monitor whether you are providing value to members you wish to keep or whether changes in the market and technology have made a change in strategy possible.

Members may feel they are receiving adequate value for their dues dollars, but is this just a feeling or does research bear it? Similarly, are members you wish to attract being turned away by the value equation? Targeted research (see the section on 'Developing Targeted Markets through Market Segmentation' and also the section on 'Steps to Launching a Nondues Revenue Program.') will help address these questions.

An association must watch for changing trends in each segments of its membership, as well as the development of new market segments. In fact, associations should review the value equation for each group every year. Keep in mind, however, that technology is changing rapidly and may require you to review strategies more frequently.

Importance of Membership Packages/Benefits to Members

Membership packages are often structured according to the member type and defined according to the member category. An individual member will have different benefits than a corporate member and even than a student member. Each group has specific needs and differing levels of involvement within the organization. Associations are tasked with developing a unique set of benefits for each classification of membership that can be modified over time to meet the changing needs of the member category.

For most associations, there is a wide range of tangible and intangible benefits. Tangible benefits are those the members can see and realize. Intangible benefits deal with the experience of being a member. <u>Some examples of tangible benefits</u> are:

- Discounted fees for educational programs, publications, etc.
- Access to members or a membership directory
- Regular publications, such as a trade magazine or newsletter
- Access to a job bank or career advancement resources
- Access to market reports, research, or industry trends
- Discounts or group rates on programs, such as travel, insurance, legal advice, credit cards, Internet providers, etc.

<u>Examples of intangible benefits</u> that are part of the membership experience include the opportunities to:

- Vote, hold office and serve on committees, councils, task forces
- Present expert testimony to governing bodies
- Participate and influence advocacy and legislative activities
- Mentor a student or young career professional
- Enhance the image of the organization and the profession or industry it represents
- Educate the general public
- Network with colleagues for career enhancement.

Often the intangible benefits are more valuable to members than the tangible benefits. Surveying members will help you determine an appropriate mix of benefits for your target audience.

The Relationship between Dues and the Membership Package

Dues revenue represents a significant source of income for most associations. Dues rates must be adequate to sustain continuity of the association, and they must be regularly evaluated. Does your association have a policy that guides the relationship between dues and the member package?

Bundled Membership Packages

Some associations attempt to address members' needs by providing an entire package, or bundle or products and services, whether or not the particular member needs them all. Typically, the benefits bundled with membership include a "free" subscription to the association's publication, a "free" membership directory and legislative or promotional efforts undertaken on behalf of the entire association, industry or profession. This practice can turn association products into the equivalent of junk mail, something members didn't request and don't want. Members then perceive the product to have no value to them and consider it a waste of their dues.

Unbundled Membership Packages

To deal with this classic problem of value, many associations have separated or "unbundled" their products offered as part of their paid membership.

- Some associations, especially those charging high annual dues, still offer the option of "free" publications and research reports as part of their membership. But these associations usually ask members which publications they want to receive, thus eliminating the members' perception of "junk," of paying to receive something they don't value.
- Other associations have gone a step further. While members still automatically receive some benefits as part of paying dues, they have the option of purchasing other benefits separately.
- For example, while advocacy is commonly an automatic membership benefit, programs such as seminar and training courses – of benefit to some but possibly not all members – are usually fee-based. This cafeteria-type plan provides not only choice but also nondues revenue for the association.

Advantages of Unbundling:

- Members pay for the products they value.
- Unbundling allows members to choose which association products they want and need and creates a perception of overall value that can have a positive influence on their decision to renew.
- Unbundling acknowledges that different segments of membership value different benefits. Each member can tailor the package of membership benefits to fit his or her needs – an important aspect of individualized service.

Disadvantages of Unbundling:

- Unbundling places an added burden on staff tracking who should get what benefits. When products are packaged together as automatic benefits of membership, your association has a built-in market. Whether or not a product interests members, they get it and it's subsidized by their dues.
- When unbundled, however, each product or service must be marketed separately and stand on its own financially.

A key policy decision is to decide which services are to be included in dues and which should be fee-based. Look for services that are universally needed or desired in your membership and make them a part of the membership's benefits. Make the others a part of a fee-for-service program.

Question: Which products and services of your association should be part of membership dues and which should be fee-based?

Examples of <u>Bundled</u> Membership Products and Services (Included with the Dues) from Research Conducted of Jordanian Business Associations. The percentages show the priority of that product or service:

Networking – 19%
Discounts and Insurance – 19%
Information Updates – 14%
Directory – 10%
Small and Medium Enterprise Development Programs – 10%
Membership Campaign/Committee – 10%
Membership Kit – 5%
Ethics Support – 5%
Finding work for members – 5%
Lobbying – 5%

Examples of <u>Unbundled</u> Nondues Services and Activities (Offered for a Fee) From Research Conducted of Jordanian Business Associations. The percentages show the priority of that product or service:

Access to Market Information - 16%
Websites services – 16%
Training and Certification – 11%
Specialized Magazine – 11%
Recruitment of interns for members -11%
Seminars – 5%
Expositions – 5%
Creating a Cluster –(See definition below) – 5%
Facilitation of book publishing for members – 5%
Group Health Insurance – 5%
Yearly Sponsorships – 5%
Entertainment and Fun Activities – 5%

What is a cluster?
Dr. Robert Breault, recognized photonics cluster expert and co-chairman of the Arizona Optics Industry Association (AOIA), defines a cluster as:
a concentration of firms across several industries that creates quality jobs, exports goods and services, shares common economic foundational needs, and unites the public sectors of economic development, legislatures at all levels,

universities, community colleges, the K-12 educational community, workforce development, support foundations, and all community economic stakeholders. Examples of well-known industry clusters include Silicon Valley(high technology) and Hollywood (film-making), both in California; and the leather fashion industry in Italy. The Arizona Optics Industry Association (AOIA) is one of the world's best-known photonics clusters. In 1992, approximately 200 optics-related companies, services, and suppliers, all primarily centered on the aerospace industry, joined together to form the AOIA. Collective sales for member companies have surged from approximately $100 million in 1992, to an excess of $340 million today.

Example from the **Institute of Management Consultants of Jordan's** website of a bundled membership package **(www.imc.com.jo)**

- Invitation to members network events.
- Reduction on conferences' attendance (a discounted fee)
- Access to the institute library (Business books and Videos).
- Reduction on workshops and seminars attendance (a discounted fee)
- Unlimited access to IMC website.
- A free copy of IMC newsletter.
- Notification of all local and international business opportunities directed to IMC.
- A free copy of the Code of Ethics Poster.
- A free copy of the Management Consultants Directory.
- Membership is a Prerequisite for CMC (Certified Management Consultant) certification.

Example from the **American Chamber of Commerce in Jordan's** website of an unbundled membership package by membership category – **http://www.jaba.org.jo/membership.asp**

Member Benefits	**General and Associate Resident Member Benefits**		
	Individual & Corporate	**Platinum**	**Not-for-Profit & Affiliates**
Annual Dues (JD)	**360**	**700**	**120**
Information and Services			
Information Available at AmCham InfoCenter	**Free**	**Free**	**Free**
Fee-Based Services	**Yes**	**Yes** *(Some Discounted)*	**Yes**

Discounts on Purchase of Reports and Publications	**10%**	**20%**	**10%**
Copy of Quarterly Newsletter	**Yes**	**Yes**	**Yes**
JABD listing	**Yes**	**Yes**	**Yes**
Programs and Events			
Discount on Executive Lunches, Receptions and Seminars	**20%**	**20%**	**20%**
Set/head table at Executive lunches	**No**	**Yes**	**No**
Discounts to attend JUST Iraq Briefings	**25%**	**25%**	**25%**
Discounts to attend AJEX	**20%**	**20%**	**20%**
Event Alerts	**Yes**	**Yes**	**Yes**
Discount on Training Courses (excluding EYB)	**15%**	**15%**	**15%**
Marketing & Promotion Opportunities			
Advert in Quarterly Newsletter	**10% off**	**1 free**	**10% off**
Discount on placing JABD Advert	**20%**	**1 free**	**20%**
Displaying company catalogs at 1 chosen event	**No**	**Yes**	**No**
Discount on Sponsorship opportunities	Please ask for different sponsorship packages available at AmCham		
Term Membership in Chosen Committees (upon approval of chosen committee members)	**No**	**Yes**	**No**
Voting Rights	**1 Vote**	**4 Votes**	**No**

Types of unbundled packages (or fee for services) from the example above include:

Training courses
Market Reports
Publications
Executive Lunches
Receptions/Breakfasts
Seminars
Briefings
Advertising
Sponsorship opportunities
Exhibitions/Trade Shows
Matchmaking between Buyer and Seller

Percentage of Expenses that Comprise an Association’s Budget

Personnel (paid staff) expenses have remained fairly stable since 1999, when the previous *Operating Ratio Report* research was conducted, representing 27 percent of an association's overall expenses.

Collectively, nonpersonnel expenses account for 73 percent of association expenditures. The areas that surfaced as costing associations the most were

- general and administrative expenses (27 percent of total expenses),
- meetings and conventions (13 percent of total expenses),
- publications (10 percent of total expenses),
- educational programming (9 percent of total expenses), and
- membership-related expenses (7 percent of total expenses).

General and administrative expenses, often referred to as *overhead*, have consistently represented the largest nonpersonnel line item (27.8 percent and 25.7 percent in the 11th and 10th editions of the *Operating Ratio Report*, respectively).

For an annual budget of less than US$500,000, personnel (paid staff) expenses represented 26 percent of an association’s overall expenses, and the remaining nonpersonnel expenses (see list above) accounted for 74 percent of association expenditures.

Proportion of Total Expenses for Servicing Members to Association’s Total Income

In ASAE’s Policies and Procedures Industry Study, published in 2001, U.S. associations estimated the proportion of total expenses for servicing members to the organization’s total income: Here is what they found in terms of average:

	Membership Type			Number of Members			
	Total	Trade	Individual	300 or lower	301-1000	1001-4000	4001 or more
Number of Respondents	603	306	296	137	124	148	186
	51%	53%	49%	60%	49%	46%	49%

Organizing for Membership Success

The success of your organization's membership efforts depends on three important factors. These factors include having a capable membership director or other staff person at the management level, an effective committee of volunteer members, and a viable membership plan.

Role of the Membership Director

The membership director is the staff person in your organization with the greatest direct responsibility for membership recruitment and retention. This person is assigned to make certain that your organization accomplishes its membership goals in the most effective way. The membership director is truly the manager of the membership function.

There are usually several functions the membership director performs. These include

- Recruitment of members
- Retention – this person has some of the most contact with the members on a daily basis and should be one of the reasons why members want to renew.
- Administration – maintaining membership records in a database
- Research – conducting some of the preliminary research on finding and qualifying member prospects before asking volunteers to get involved
- Motivation of volunteers to feel confident of ability to recruit and retain members and show staff the value of the membership function
- Follow-up with prospects who don't join during a membership campaign
- Lead by example – this person has a reason to know more about the organization than almost anyone else on staff and should use that knowledge to help others understand the value of membership.

Membership's Role in Establishing and Selling Benefits

The membership staff, including the Director, who take calls from the front lines of your sales team. The responses they give and the manner in which the responses are given are key to whether prospects join and members renew or whether products are sold. Because of the nature of the interaction, the Membership Director and other staff need to have a full understanding of the following:

- The different segments in your membership
- The benefits of membership
- Products and services offered by your association
- Where to get more assistance within the organization

See Appendix E for a sample job description of a membership director.

Ratio of Staff to Membership Function within Organization

According to ASAE's Operating Ratio Report, for organizations that have budgets of US$500,000 or less, the number of staff working to recruit and retain members is two full-time and one half-time person.

Role of the Membership Committee

While the membership director is the person responsible for the organization of an annual membership marketing plan, budget, and execution, the success of staff's efforts will significantly rely on volunteer support. The involvement of volunteer members is vital to a successful membership campaign.

Personal contact by a member who believes in the association is the most effective means of recruiting a new member. Personal testimony about the benefits of the association is more convincing than any brochure. Member involvement is the least expensive and most productive of all the campaign's elements.

The **membership committee** is sometimes called the most important volunteer group of members after the board of directors. It is the group that is:

- solely focused on membership
- serves as a forum for new ideas on ways to recruit and retain members, and
- provides a structured way to get input from members and a vehicle that can be used for delegating tasks.

Since the effectiveness of the membership committee can have a big impact on the success of your membership efforts, the association should spent a lot of time and effort putting a good committee together.

To do that, you'll need to appoint or recruit a **strong chairperson**, sometimes appointed from the board of directors, who works closely with staff, and give the committee members specific responsibilities.

Qualities of a Membership Chairperson

Look for someone in your organization who is energetic, knowledgeable about both the organization and the profession or industry, well-respected, and willing and able to give the time needed to do the job, and a self-starter, successful in his or her own career. This chairperson should also possess some leadership skills that can facilitate effective committee meetings, recruiting skills for getting new members, delegation skills and time management skills.

Number of Volunteers on Membership Committee

How many members should be on the membership committee? It depends upon your organization's needs and resources. While most association committees should probably have less than seven members, the membership committee is an exception. There should be enough assignments so that any member who wants to help, and doesn't have another task, can be added to the committee.

Roles and Responsibilities of Membership Committee

Regardless of the size or scope of the committee, it is important to give committee members specific responsibilities. Employ a leadership technique called "thinking small." Rather than asking a member to just serve on a membership committee, ask him or her to take on a very specific role in membership. Take a look at all the jobs and functions that your membership committee is responsible for and break them down into smaller job that are less time consuming. Some of these jobs could include: recruitment, retention, member involvement, prospect list management, new member welcoming and orientation, membership booth coordination at a meeting or trade show, and member recognition.

The **chairperson** should conduct regular meetings of the committee to make assignments, monitor progress, and share success stories about what works best. The chair should set a personal example that inspires others to imitate.

Member volunteers are more effective in personal contacts with prospects when they are supported by:

1. Accurate lists of prospects for contact, including addresses and phone number.
2. Written suggestions on what to say, such as typical questions to be answered, how to relate the membership benefits to a personal experience, and "closing the sale."
3. Incentives, like a free training course or seminar registration, which reward those with the most success in gaining new members.
4. Recognition, which is imperative, which tell volunteers their work is both appreciated and vitally important to the association.

See Appendix F for a sample job description of a membership committee chairperson.

Six Elements of an Effective Membership Marketing Plan

In addition to a capable membership director and an effective membership committee, the other important factor to assure success in membership development is to establish marketing plan. This plan is a road map to help guide staff and membership committee on what goals needs to be accomplished. The plan is also important because it helps ensure some continuity in the membership function. If a two-or-three year membership plan can be established, then each year the Membership Director can be guided by the plan.

The section describes the basic elements of an effective membership marketing plan:

1. **Have an Objective -** Your plan should have a statement or goals of what the membership plan is hoping to accomplish. For example, do you want to:
   - Reverse the recent decline in membership and have a net growth in membership within the first year of the plan?
   - Raise the organization's retention rate each year for the next two years?

2. **Identify and Qualify Prospects** – Good membership marketing requires a solid background of facts and understanding before an effective membership campaign can be developed. One of the biggest mistakes organizations make in their membership efforts is not doing a good job of identifying and qualifying prospective members. Qualifying prospects means learning more about the prospects than just their names and addresses and then using what you know to customize and personalize your solicitations to those members.

Sources for Member Prospects

- Referrals or recommendations from existing members - * usually among the very best prospects because of their direct connection to someone or some company that is already a member.
- Nonmember users of your association who attend your meetings and your educational programs or buy your publications.
- Unsolicited inquiries – people or firms who contact your organization and ask for membership information without any prior contact.
- Former members – people who have belonged to your organization in the past and for one reason or another have dropped out.
- Mailing lists that you can purchase from private firms or obtain from public sources.
- Member rosters of other associations, societies or business groups
- attendee lists at conferences, and
- Public information sources such as telephone directories.

Member Profiling and Data Collection for Membership Database

Collecting demographic information on members has become increasingly important. Collecting this information is important because it enables the association to tailor its professional development and marketing strategies to individuals with demonstrated interest in a particular field. This information that you compile from the various sources (membership application, membership renewal form, special mailings, etc.) should be included in your membership database:

- Basic contact information (name, address, phone, fax, and email)
- Data such as decision maker within company, specialties, and size of company in terms of sales and employees (for trade associations)
- Educational background, specialty expertise, and years in the profession (for professional societies),
- Other organizations they belong to, and
- Whether the person has ever participated in your association's activities.
- The format in which members want to receive their communications (e.g., email, fax, hard copy, etc.)

In addition, gather information on any contact the member initiates with your organization, including attendance at meetings, service in a volunteer position, purchase of publications or products, and response to a member interest survey. The more detailed information that can be collected, the more valuable the record for purposes other than mailings such as personal contact by existing members.

Collecting new data on current and potential members should be aggressive and relentless. Existing members' records need to be updated regularly, due to an organization's move from one location to another, reorganizations, and staffing changes. Members may or may not volunteer this information. The membership director or database manager needs to seek out this information by soliciting, at least annually, updated records of members.

In a .pdf document, see examples of membership database screens provided by a company called Protech Associates (http://www.ptassoc.com) Also included in a .pdf document is a chapter entitled, "Records Management and Database Issues" from the book, *Membership Operations*, published by ASAE, that seeks to address the issues involved in investing in a data management system.

Additional Data to Collect on Current and Prospective Members

The more information you have and therefore, the more data you collect on your members, the better you will be able to meet their needs, and provide them valuable products and services. Here is some additional data that your association should be collecting on your membership to learn more about your members, and their needs and interests.

- What is the size of your current membership? What was the size of your membership a year ago?
- What are the typical or average characteristics of your members? (for example, age, occupation, the number of years in their profession; number of employees, size of company budget, and number of branches for corporate members)
- What are the trends of those characteristics? Is age, for example, increasing or decreasing?

- What percentage of potential members already belongs to your association?
- How long has the average member belonged?
- Are there trends in the industry or profession that imply growth in the market as a whole?
- Are certain geographical areas represented more strongly in the membership than others? Why?
- What are the average dues paid by existing members?
- What percentage of the association's total budget is derived from dues?
- Do many or most potential members have the ability to pay dues?
- What are the "peak" months for activity such as new member recruitment, dues payments and resignations? What are the reasons for these patterns?
- Is the membership inclusive of the society?
- What efforts (personal contact, telemarketing, email, fax, etc.) get the best response?
- What products or services are most often used or requested by current members?
- What are the most frequent complaints about to the association?
- What economic or political forces are at work that may be provoking new member concerns or causing changes to the profession or industry?

As you answer these questions above and compile this information, some patterns should immediately appear. For example, you may find that personal contact and email are the two most effective methods for recruiting members. Or, a certain percentage of your membership do not renew after the first year because they are either not aware or don't find the association's products and services valuable.

Ultimately, through collecting this information and analyzing it, you should be able to get a clear picture of the needs of current and prospective members and determine how well the association currently meets those needs. The analysis will lend itself to a statement of problems or gaps and opportunities.

Of course, no single plan can address every member need, fill every gap, or seize every opportunity. The next step, then, is to set priorities for plan development: What gaps are the most important? What are the most promising opportunities? Which questions should be addressed immediately, and which needs more research, preparation or resources before they can be addressed.

Membership priorities should be determined in context of the association's goals and be consistent with the larger strategic plan. When goals are established for the membership plan, they should flow from and be explicitly linked to the association's strategic plan.

3. Understand Why People Join

In planning an effective membership marketing plan, it's important that both staff and volunteers understand what motivates the prospect to become a member. Five reasons that people join associations are:

a. **Specific association services and activities**. Examples include training, advocacy, access to capital, export opportunities, business trends, and "insider" information.

b. **Intangibles such as prestige, recognition, ethical obligations and professional identity**. Recognition can be promoted by awarded decals for office windows, lapel pins, and wall certification to new members. Ethical obligations include a willingness to "do one's share" by joining.

c. **Personal reasons such as friendship and networking with peers**. Being asked to join by a friend is one of the strongest appeals. Making valuable contacts and having access to expert opinion through networking is another strong motive.

d. **Professional or business advantage or gain**. Expanded business contacts, opportunities for new markets and employee training are among the business advantages possible through membership.

e. **The image of the association**. People perceive a high degree of professionalism in the conduct of the association and want to take pride in belonging to an association.

Here are the most common reasons (by percentages) of why members belong to Jordanian Business Associations based on recent research:

Networking – 26%
Agree with Association's Mission and Vision – 26%
Lobbying – 14%
Skill Development and Certification – 14%
Information Source – 11%
Working on Committees – 3%
Put Jordan on the global map – 3%
Solve member problems – 3%

4. Identify the Benefits of Joining

In the book, *Membership Development: 101 Ways to Get and Keep Your Members!,* the author writes that in almost all cases, your organization's ability to get and keep members is based on three things:

- Being able to **personaliz**e membership for the member
- Being able to **customize** the recruitment and retention process

- Being able to have and express **empathy** for members and prospective members

This means that to really be able to recruit members for your organization you have to learn to think like a prospect, not like a membership recruiter. To be able to retain members you have to think like a user of your organization's programs and services, not like the producer of those programs and services.

Examples of Personalizing, Customizing and Empathizing Membership

Personalizing – Being able to personalize membership for your member means more than just sending them correspondence addressed directly to them such as Dear Mr. Edwat Diab. Personalizing membership means asking questions about your members and what motivated them to want to join your organization. Try to find out:

- how long they have been in business
- how they learned of your organization
- their areas of specialty within the profession or industry, and
- their business challenges.

Then, when you email or talk to these members on the phone, you can recall some of this information back to them. For example, you could state, "I understand when you joined that one of the greatest concerns impacting your business or your job is (fill in the blank). Our association has an educational program that will be addressing some of your needs. Would you like to attend?"

Customizing – Being able to customize membership for members goes a step further than just personalizing. Customizing means that:

- you know exactly what your members do, and the specific issues and challenges they face in their workplaces, and then tailor specific products and services to meet those challenges.
- you know what each of your member needs are, and then offering products and services that directly address those needs. By knowing exactly your members' challenges, you will be able to eliminate possibly some products and services that you currently offer that do not interest them.

As you will see in the Five Step Program for Member Retention later on in this manual, one way to begin customizing membership for each member is to track the participation of your members' involvement in various activities. By tracking and compiling information on your members' interests, you will be able to target specific member benefits to them.

Empathizing – Being able to empathize means that you have convinced your members that you are THE organization that can truly help them and no other organization. You have possibly heard the saying, "I feel your pain," but in a sense,

- your members must have the trust and confidence that your organization is the only one through various member benefits that can help them improve or advance their personal interests or business.
- your organization must be able to offer products and services that your members can't get anywhere else, and convince your members that their investment in your association is a good and profitable one.

Features versus Benefits

In addition to understanding why members join, one of the challenges to being successful in membership recruitment and retention is to turn your association's features into benefits.

Features of the association are descriptions or characteristics of specific association services and activities such as educational programs, publications, and advocacy (e.g., what the associations provides). A benefit is the advantage received from the product or service (e.g., save time, save money, enhance personal career, reduce costs, be recognized by peers, etc).

When you develop your marketing strategies, you must clearly explain features and benefits to ensure members understand what they are. If your marketing messages are unclear, making the sale will be more difficult. It is worth your time to ensure that features are clear and distinct from benefits.

Benefits of Joining Trade Associations of Chambers of Commerce

When you are targeting prospective companies for membership, what are the benefits you should emphasize?

a. **Competitive Advantage** is what a company really wants from a trade association or chamber membership. They don't just want a competitive advantage over any company, but specifically over those companies that didn't pay dues and join the association or chamber.

So, don't just tell member prospects what your organization does (the features), tell prospects how what your organization does will help them make a profit and be more competitive (the benefits)

b. **Government Relations** is an important program that takes a lot of the association's or chamber's resources. It is also one of the first benefits mentioned to a prospect. In a trade association or chamber of commerce, there are **two distinct benefits** of the government relations program.

- It reduces the cost of doing business by keeping government regulations and paperwork burden as well as specific anti-business laws from your hurting your members' businesses.
- It works to protect, and where appropriate, expand members' markets.

Does that sound more like a benefit that just stating that you have a government relations or advocacy program?

c. **Networking Opportunities –** Most organization present this feature of membership by listing and describing the many functions (i.e., social events, meetings, receptions, etc.) held throughout the year that the prospective member can attend.

To convince a prospect that networking is a real benefit, you need to explain this aspect of membership from the potential member's perspective. Trade association and chamber of commerce meetings can do several things for the prospect's company.

- By bringing the industry together your organization gives members the chance to make contact with potential customers. The benefit here is that it helps to increase sales. Meetings put members in touch with suppliers and thereby help to reduce costs.
- At these meetings, members learn from the speakers and attendees ways to better market their products and services and ways to reduce costs through better management of their business. This is an especially appealing benefit in bad economic times.
- If your organization sponsors a trade show, the benefit is the time and money you've saved members by bringing all of these new products and suppliers together at the same time and place.

d**. Publications –** Trade associations and chamber of commerce often tell companies that if they join, they'll receive all of your publications including your monthly newsletter, your weekly legislative updates, and other communications. You need to tell the prospects that when they begin receiving your publications they'll be getting a steady stream of ideas and information that can help them manage their business more profitably through better marketing ideas, new product information and cost-reducing management tips.

f. **Other Programs and Services –** Trade associations and chambers of commerce also offer a variety of member benefit services and programs that include such things as credit card programs and car rental agreements. This value of these programs is that they reduce cost. Keep in mind that many of these types of programs may be available to your members through other sources. So, make sure that these programs and the rates offered through these programs are competitive with other outside sources.

Here is an example of how the National Association of Manufacturers (http://www.nam.org) words its member benefits. Look at the emphasis on action words to convey competitive advantage, advocacy strength, and networking opportunities. This information is taken from their website.

When you join the National Association of Manufacturers, you:

- Join forces with thousands of other NAM members fighting for a strong future for U.S. manufacturing.

- Take action to reduce costs resulting from government policies -- like high taxes, excess regulation, litigation, and rising health and energy costs.

- Join the winning team in key policy battles. We sued the Occupations Safety and Health Administration (OSHA) and secured legislation overturning its ergonomics rule, saving NAM members $781 per worker. Our lobbying was pivotal in lowering the top rate on manufacturing income from 38.6 to 32 percent for all manufacturers (including S-corps).

- Combine forces with the association that saved users of the R&D credit an average of $462,750 over five years. We saved NAM members at least $200,000 per facility by derailing the Environmental Protection Agency's (EPA's) original Metal Products & Machinery rule. We've also won victories on pension funding, capital gains, H-1B visas, mandated benefits, expanding exports and more.

- Support the association that launched the American Justice Partnership to ensure that appointed judges and court officers interpret the law, not legislate from the bench.

- Help secure pro-growth policies to level the global playing field, encourage innovation and investment, and develop our 21st Century workforce.

- Become a member of what *Fortune* magazine calls one of the 10 most influential advocacy organizations in the United States — the only one in the top 25 devoted solely to U.S. manufacturers.

- Gain personal access to the NAM's experts on tax, trade, labor, OSHA, EPA and other matters affecting your company.

- Network with your manufacturing peers, leverage your relationship with public officials and receive timely, customized information on policies that affect your company.

- Significantly reduce your operating costs through NAM-member services:

    - NAM Freight Alliance provides shipping discounts with Mach 1, Airborne Express, Menlo Worldwide, Yellow Transportation and FedEx.
    - The NAM Tax Recovery Program**, i**n partnership with Burr Wolff, can help you recover/save hundreds of thousands of dollars in taxes.
    - The NAM Buyer-Seller Network provides members with instant Web exposure to product buyers throughout the world.
    - We sponsor and offer exhibit discounts to the largest national trade show for manufacturers, National Manufacturing Week®, each year in Chicago.

- The NAM Site Selection Network offers a confidential, free service to identify optimal sites for facilities.
- Our partnership with the Internet Security Alliance provides access to best practices to defend against cyber attacks.

Here is another example of how the Information Technology Association of Jordan (www.intaj.net) words its membership benefits:

int@j is a voice that can officially advocate private sector IT business issues and concerns on local and global levels.

int@j effectively places its Members in the overall picture of what is changing in the Jordanian IT industry.

int@j explores new grounds for global business opportunities and captures substantial business deals worldwide.

int@j opens wide channels for meeting with incoming foreign delegations, in addition to being included in Jordanian official delegations representing the sector internationally.

int@j gives its members the priority to be actively involved in all IT sector functions and events.

int@j markets your products, services and image, both locally and internationally.

int@j is going to be a reliable database provider for the local market by conducting market research and providing market trends.

int@j will be the body to get you certified and accredited as MADE IN JORDAN.

Benefits of Joining Professional Societies

With professional societies the focus of your membership recruitment efforts will be a little different. The membership is in the name of the individual and the reasons for joining are even more personalized. Even with a professional society as with a trade association, membership is an investment – a career investment. You still need to display empathy by getting the prospects to believe that you know what their professional challenges are and that membership in your organization can help. When you describe your professional society's programs and services, you still have to overcome the "So what?" attitude of prospects.

There are three basic benefits people seek when they join professional societies. They join for **peer recognition**, **job opportunities and career advancement**, **and continuing education**.

a. **Peer Recognition** is an important benefit because people want to be recognized as leaders in their chosen field. In some cases, just being a member of your society is a form of recognition.

b. **Job Opportunities and Career Advancement** are benefits that professional societies sometimes try, unnecessarily, to downplay. Promoting job opportunities as a reason to join doesn't necessarily mean that a person who is interested in switching employers will find another one through your organization, although that may well happen. If the person becomes a more valued employee to a current employer through membership in your society, that certainly advances his or her career.

c. Many individuals join professional societies for **Continuing Education**. In many professions, it is a requirement for continued practice. In all professions, continuing education will help lead to the other two important benefits, peer recognition and job opportunities.

Just as you do in trade associations and chambers, don't tell prospects the features of what your organization does, but tell them how what your organization does can give them one of the three basic benefits of membership.

Here are some suggestions for identifying benefits of professional societies:

d**. Publications -** Publications are without question a key benefit for professional society members. The fact that they exist isn't what's important. Publications actually can provide all three benefits people seek. Publications are one of your most basic forms of continuing education. Many articles are written by members, so there is a chance for peer recognition. In some cases, publications have listings of job opening which offer job opportunities and career advancement.

e**. Networking -** Meetings are also an important part of professional societies, too. The benefits of these meetings need to be expressed in way that convinces prospects that it's worth their time to attend. Rather than just saying that your organization offers several important networking opportunities, try to describe the real benefits of getting together at your group's meetings and educational programs. When people attend your professional society's functions they get to meet and work with the leaders in your field. That's a form of peer recognition. The speakers and topics at these meetings are another form of continuing education. There are opportunities to talk to potential employers and find out whether there are job openings.

f. **Government Relations -** If your professional society does perform lobbying and advocacy functions for your members, you still need to promote those programs in terms that are meaningful to prospects and members. In professional societies, the lobbying function is designed to do things: protect the members' right to practice their profession, and help set the conditions and standards under which the members will practice. After establishing why your society is involved in government relations, you can then describe the specific legislative or regulatory issues you've addressed that support those objectives.

Here is an example of how the American Society for Training and Development (http://www.astd.org) words its member benefits. Look at the emphasis on action words to convey networking opportunities. This information is taken from their website.

- **Improve your job performance.** ASTD provides a variety of practical tools and publications that showcase the latest trends and techniques being used by industry leaders worldwide.
- **Increase your effectiveness.** Gain support for your programs with data from our research reports, or get individualized help for your projects through the ASTD Information Center.
- **Save valuable time.** Access indispensable online resources like current product reviews, book summaries, our proprietary literature database, topic-specific reading lists, and more.
- **Realize your professional potential.** Take advantage of unlimited networking opportunities with colleagues and experts in our many virtual communities, at one of our renowned conferences, or by joining an ASTD chapter in your area.

Here is another example from the Young Entrepreneurs Association (YEA) of Jordan of reasons for belonging to their association: (http://www.yeo.com.jo)

- To have the chance to attend local and international trainings, seminars and round-tables that will enhance your skills and open your eyes on new opportunities you have.
- To have the opportunity of representing the YEA in regional and international conferences.
- To have the chance of networking among YEA members, and a wide community of Jordanian and international business people
- To take part in the real work by joining YEA committees, with other YEA members who dedicate some of their time for doing so.
- To have the chance of being mentored by a specialist, in case you needed someone more experienced to guide you in your career..
- To have the chance of applying for a venture capital fund to finance your business.
- To have someone to assist you in doing your business plan
- To have access to modern business practices and expertise.
- To enjoy your free time and remove some of the stress, with other of your fellow members, during a fun activity or a casual meeting!

Other Examples

Here are the member benefits **Jordanian Business Associations** articulated that demonstrate value to members and seek to personalize, customize, and empathize:

1. Interaction/networking

- Through events
- Business opportunities
- Access to new markets
- Marketing forum
- Needs assessment forum
- Identify potential parties
- Creating synergies
- High exposure to business community

2. Government relations

- Advocate for better business climate
- Better sales
- Tariff reductions / custom reductions
- Better government services / reduce obstacles
- Attract investment
- Raise the profile of the association

3. Specific business opportunities (Networking, contacts)

- Communicated to members only
- Selling – Buying / Sector specific
- Locally – regionally – internationally
- Referral

4. Providing Publications

- Timely
- Specific/personalized
- Saves time
- Tailored to their needs/user friendly

5. Other programs (Discount programs)

- Insurance / medical…
- Shipping
- Communications
- Hotels / events
- Printing / marketing / advertising
- Travel / tickets
- Trains

6. Peer recognition and prestige through:

- New trends
- Best practices
- Committees and Board work
- Recognition

Turning Intangible Benefits into Reasons to Join

Back in the section on Membership Benefits and Packages, a number of tangible versus intangible benefits were highlighted. In every trade association, professional society and chamber of commerce, there are opportunities to attract members through what are sometimes called the intangible benefits. One such benefit is the ability to give something back to an industry or profession.

Intangible benefits can be used to recruit members, especially in professional societies, where you can appeal to the <u>individual's commitment to a profession</u>. This makes the membership even more personal.

In trade associations, you are trying to appeal to a <u>corporate attitude or sense of social responsibility</u>, which can be more difficult. In all organizations, there are certainly people and companies that will join organizations because they believe it's the right thing to do.

You need to be careful about trying to use intangible benefits as the **focus** for your recruitment efforts. These aren't that many prospects that will join just because they believe in your organization's goals and principles. In most industries or professions, these believers are already in!

With few exceptions, you are trying to recruit non-believers. And to get them to join, you have to show them the specific, usable, tangible benefits of membership.

5. Develop Targeted Marketing Through Segmentation

A target market is a group of people or companies with a common set of characteristics. Market segmentation is the process of dividing a broad audience into manageable groups that have common characteristics.

Common Ways to Segment Your Membership:

- Demographically – by Age, Gender, Income, Level of Education, Occupation, Number of Years in Profession or Industry
- Specific Specialty Interests within the Profession or Industry
- Type of Member (Regular, Affiliate, Associate, Supplier/Vendor, etc.)
- Member versus Non-Member
- Financial Size of Company
- Employee Size of Company

- New Versus Repeat Buyer of Various Products and Services
- Geographic Location
- Decision Maker and Influencer (Level of Status within Profession and Industry – new, mid-career, senior-level)
- Usage of a Particular Product or Service
- Former Members versus Current Members
- First time Members

Keys to Successful Use of Market Segments

1. Each segment should be large enough or sufficiently important enough to merit the cost of special attention.
2. The needs and interests of a market segment must be compatible with the association's vision, mission, goals, and financial resources.
3. The association must be able to reach the segment.
4. Segmenting an audience of prospects into smaller and more manageable groups and by value can result in more efficient and effective investments of time and resources in membership marketing.
5. Selecting segments that are large enough to justify spending resources on marketing are also important.
6. Highlighting member benefits designed for a specific group will be more effective than for a large group as a whole. For example, a new advocacy program may have more appeal to the chief executives of companies than mid-level managers. The mid-level managers may be more interested in training programs, for example.
7. Knowledge about existing members can offer insights to effective targeted marketing. Patterns like the program interests of members are likely to be similar to those who are prime prospects for recruitment as new members.

Prime Audiences to Target

A consistent audience to target for high results is <u>nonmembers who have participated in one or more association programs</u>. Many associations admit nonmembers to activities such as training programs, for example while charging a higher fee than members. The fee difference can be applied to membership if the prospect joins within a limited period (e.g., 30 to 60 days).

Another targeted audience for periodic solicitations to members is <u>former members</u> who have dropped out or resigned.

Example

Here is an example of a chart to pinpoint which of a professional society's main benefits have the most appeal to specific target markets. This chart can be used to develop membership literature and promotional material. You can see that this group listed all of their benefits but highlighted the ones that had been identified as most valuable for each target group.

	Qualifier 1	**Qualifier 2**	**Qualifier 3**
Market Segment	Self Employed	Corporate Setting	Former Member
New to the Profession or Industry	Benefits – networking, continuing education, online discussion forums	Benefits – job opportunities, continuing education, recognition, online discussion forums	Benefits – new products and services that may interest them in rejoining (e.g., online resources)
Mid-Career	Benefits – continuing education, advocacy, peer recognition, online discussion forums	Benefits – networking with other members, continuing education, online discussion forums	Benefits – recognition, new products and services that may interest them in rejoining
Senior-Level	Benefits – peer recognition, advocacy, leadership opportunities	Benefits – peer recognition, advocacy, leadership opportunities	Benefits – recognition, new products and services that may interest them in rejoining

Here is an example from the Jordan Intellectual Property Association who has identified their target industries (as listed on their website):

- Pharmaceutical Industry
- Software Industry
- Audio-Visual Industry
- Food Industry
- Chemical Industry
- Textile Industry
- Books Industry

6. Marketing Techniques

Here are the most common marketing techniques used to recruiting members:

a. **Personal Contact** is the least expensive and most effective marketing method for most associations. However, it requires willing member volunteers and is very time consuming.

b. **Direct Mail** is most frequently used in countries where mail is dependable. It can reach an unlimited audience. However, the more specific to a prospect's interests, the higher the results.

c. **Telemarketing** is increasingly popular, particularly when the caller is someone the prospect knows or is a peer whom they have heard about. Again, member volunteers, following a planned written script, make the effort most effective. Remember to keep calls short and make them at convenient times.

d. **E-mail and fax messages** can also be used to reach large audiences, particularly in countries where mail is not dependable. Email and fax have appeal because people consider them to be more important than mail. Faxes and email are especially effective as a follow-up to a telephone call or personal visit.

e. **Website's homepage** can provide basic information about the association, helpful resources, membership benefits, and even a downloadable membership application.

f. **Combination Strategies** utilize several of the above methods in a membership campaign. Telemarketing, for example, may be followed by personal contacts. ("Can we stop by to see you?" or "Can we send you some information about membership?")

Other Marketing Techniques

g. **Print Media –** some organizations place advertisements about membership in the trade press or different publications within their industry or profession. Print media membership marketing can be expensive, however. One option is to try trading space with various publications. In exchange for a one-time, one-page ad in one of your major trade publications, offer the trade publication the option of putting an insert into one your issues to your members.

h. **Electronic Media** - some larger organizations have used radio and television advertising as a means of getting their message out to prospective members. This form of media has advantages because there is the potential of reaching a lot of people with your message in a short time. However, this form of media can be also very expensive.

i. **Trade Shows and Information Booths –** People can come by and actually talk to an association representative about joining your organization – either at your own meetings or at trade shows you participate in. Getting your members involved in staffing a trade show booth is also a great idea. Their credibility and testimonials in talking with peers about the value of membership can be very effective.

j. **Incentive Promotions -** Incentive rewards can be directed to both member volunteers (for recruiting the most new members) and new member prospects (like a discount on the use of a service or cost of participation in a program).

k. A **six or nine-month membership** is another incentive where a lower dues can be an attraction to "try out the association" without disturbing the normal dues rate or irritating the existing membership.

l. Sending a **sample copy of the association's newsletter with a letter or note** attached inviting the prospective member to join can also be an effective recruitment tool.

Organizing an Effective Membership Recruitment Campaign

If you can get current members to actively recruit new members, then the membership campaign can be an important recruitment option for your organization. The term membership campaign refers to <u>a concentrated recruitment effort held during a specific period of time.</u> Many organizations sponsor membership campaigns on a regular basis with the hope that they can recruit a lot of members in a very short period of time.

Careful thought and thorough planning are as essential to success in the membership campaign as other programs and activities of the association.

Checklist for a Successful Membership Recruitment Campaign

A comprehensive membership recruitment plan should include the following components:

1. **Organization Support –** Make sure that your volunteer leaders and all of the organization's staff know that a membership campaign is going one and are prepared to give it their full support.

2. **Clearly Defined Goals –** What kind of membership growth do we expect? How many new members do we want as a result of this campaign? Membership campaign goals don't have to project huge gains in new members to be meaningful. A campaign can be designed to increase membership in a specific geographic area, or in a specific demographic segment. Always define "what success will look like." A good goal is both ambitious and realistic.

    <u>For example</u>: One goal may be to have a net growth (new recruits minus non-renewals) of membership within the first year of the plan.
    How will you measure your success? Two measurement criteria could be:
    b. Total number of members at year-end (insert number) compared to total members one year earlier (insert number).
    c. Number of new members recruited (insert actual number)

    In addition, have specific implementation strategies – current membership activities (i.e., personal contacts or telemarketing) designed to accomplish the goal as well as some new activities to meet goal (i.e., advertising campaign, trial memberships).

3. **Defining the Prospects -** Key to an effective campaign is a carefully collected list of qualified prospects. The size of the list will have a direct bearing on the goal. A return of 10 percent in new members will produce a very different goal with 5,000 prospects than 500. The quality of the membership database, members as well as prospects, is essential. Is the quality monitored? Is it frequently updated? Incorrect information can lead to unsatisfactory results.

4. **Establishing Clear Lines of Authority -** Sometimes when an activity is staff-driven but requires the assistance of members, lines of authority can be questioned. One person on your organization's staff needs to have overall responsibility for the campaign. This is usually the membership director. But also be clear about expectations from volunteers. In some organizations, a volunteer leader will assume the role of campaign char. This could be either the chairperson of the membership committee or it could be a person assigned to chair this specific membership campaign.

5. **Training Staff and Volunteers** to ensure quality and consistency in implementation. Providing written information on how to recruit, sample telephone scripts and talking points about the benefits of membership should be a part of the training. Training can be done as a group to discuss some potential challenges they will face as well as role playing where they can simulate an actual recruitment situation. You want to make sure that staff and volunteers feel confident about and are educated on the reasons to join the organization.

6. **Identifying the marketing techniques to be used** (i.e., fax, email, personal contact, telemarketing, etc.), audiences being targeted, follow-up, and expectations.

7. **Considering offering some incentive program**. Incentives are special rewards given to people or companies if they join your organization during the campaign time frame. Incentives can also be given to members who are recruiting new members, and even staff. Some of the more common incentives offered include reduced dues, lapel pin, coffee mug, free educational opportunities or publications, and cash. It is important to remember to factor the cost of these incentives into your campaign budget.

8. **Developing a timetable** for the activities of the campaign.

9. **Budgeting for all anticipated expenditures**. The cost of running a membership campaign is more than just the promotional material developed for the campaign. Among the costs that need to be included are the staff time devoted to the campaign, incentives or awards given to recruiters, membership literature specifically produced for the campaign, and any telemarketing.

10. **Preparing regular reports** on the progress of the campaign. Don't wait for board meetings when you have good news to share. Early success can add momentum to the campaign effort.

11. **Developing a plan for recognition -** An important element in a successful campaign is recognition of the volunteers, including awards for those who recruited the most new members. Volunteer recruiters can also be asked to be "sponsors" of new members they sign up, adding some prestige to the invitation to join as well as enhancing recognition of the volunteer. Other ideas for recognition include:
publishing the names of volunteers who have sponsored five or more new members in the association's newsletter, and recognizing the top performers at the annual meeting and in regular reports to the Board of Directors.

12. **Having fun -** Make the campaign "fun" whenever you can (e.g., plan a luncheon for member volunteers or a celebration at the end of the campaign). Remember, member volunteers will work harder and longer if they are enjoying themselves.

Participation by Every Member in the Campaign

While relying on the membership committee to be actively involved in the membership campaign, efforts to recruit new members should encourage participation by every member. Ask all members to contribute names to build a prospect list large enough so that anyone who wants to help can be assigned a few contacts to make.

When making a member-wide appeal for help in recruiting new members, remind them that membership growth benefits everyone.

In a study done by the American Society of Association Executives (ASAE) on the recruiting techniques used in trade and professional associations, member-to-member recruiting was found to be the most effective way of getting people to join these organizations.

Ways that you can involve members in on-going recruitment efforts include:

- Organization-sponsored activities such as meetings, educational programs, trade shows, and social events;
- Gatherings of other organizations, including professional and trade groups and other business and charitable entities; and
- Providing testimonials about the value of membership.

For newer members, the chance to help in a membership campaign may be their first commitment to volunteer service. If someone wants to get active, move up to the board of directors and/or hold office in the future, a good starting point is by making an exceptional effort in the membership campaign.

Integration of Membership with Other Activities

It is important to note that association products and activities should convey the benefits of membership whenever possible. The annual report, the annual conference, member surveys and reports, and press conferences are all opportunities to tell current and prospective members why membership is valuable. The newsletter should carry membership information, recognize members who contribute or volunteer, and encourage active involvement. Anytime the association has an event coming up, membership materials should be available there.

See Appendix G for Sample Prospect to Member Marketing Plan from ASAE. Also included as separate .pdf documents on the CD are the following:

1. **Sample ASAE Member Prospect Letters to Association Executives and Supplier/Vendor Members**

2. **Chapter on "Planning Process for Membership Development" and "Membership Development Planning Checklist," both from the book, "Beyond Membership Marketing – Developing an Innovating Plan that Guarantees Results, published by the Center for Excellence in Association Leadership, San Francisco, California USA**

Strategic Planning and Membership Marketing

Once an association understands its member segments, and has adopted a member-centered orientation (viewing members as the most valuable asset of the organization, being highly responsive to them, and making necessary changes to anticipate member needs), it needs to move to a strategic planning process. Strategic planning needs to occur at the organizational level and at the membership level. Membership marketing strategy should be nested within the association strategic planning process, as shown below:

The Relationship of Membership Marketing to Strategic Planning

Association Strategic Planning
Mission
Objectives
Strategies

Membership Marketing Strategy
Developing Target Markets
Segmenting Markets
Developing the Association's Position with its Competition (other Associations)
Evaluating the Pricing, Distribution, and Promotion of Products and Services to Reach Target Markets

Association Strategic Planning

Strategic planning is the process of developing and maintaining a strategic fit between the organization's goals and resources and its changing market opportunities. Associations need first to define internal goals and resources as well as their strengths and weaknesses and then examine external threats and opportunities as part of the strategic planning process. This is called a SWOT analysis (strengths, weaknesses, opportunities and threats).

Mission

An association should strive to define a long-term purpose that is feasible, that inspires motivation, and that is distinctive. It can do this by answering questions such as:

What is our business?
Who are our members?
What constitutes value to the member?
What will our business be?
What should our business be?

Defining Objectives (the WHAT of Planning)

Once the task of defining the mission is completed, the association purpose should be translated into a set of objectives. Objectives are performance measures and targets. Without specific, measurable objectives, the association's mission cannot be translated into action.

An association's objectives should be important to the association, prioritized, attainable, internally consistent, measurable or quantifiable, and integrated into the objectives of every department or unit of the association, including membership.

Defining Strategies (the HOW of Planning)

A strategy is a statement by which the association attempts to reach its objectives. It provides operational guidance by indicating what to do and when to do it.

The Membership Marketing Strategy

The membership marketing plan should flow from and be compatible with the association-wide plan. The mission and objectives of the association strategic plan should provide direction regarding expectations for membership. The membership staff should be vitally involved in establishing the membership direction. The association plan should have membership objectives such as "increasing membership by four percent over a three-year period," which should also be incorporated in the association's membership plan. The membership objectives should set specific targets for different membership segments. All objectives and strategies should be challenging but achievable.

Membership Retention

Membership retention is the process by which organizations get their members to renew their memberships for another year. It is important for your organization to have a retention program that is planned and carried out with just as much care and energy as your recruitment program. After working so hard to recruit new members it just makes good sense to work hard to keep them.

The underlying purpose of establishing and implementing a planned retention system is to raise the chances that the renewal invoice comes back with a renewal check or payment.

The Importance of a Planned Retention System

Having a planned system of membership retention is important to your organization for the following reasons:

I. Financial Resources – If your organization can keep its members, it will have greater financial resources. Keeping members means you can add to your dues income as new members are recruited rather than using that income to replace members who drop out.

Having an effective retention plan also focuses on the lifetime value of a member. The lifetime value concept is very simple: your organization loses much more than a year's dues when a member drops out because, in addition to the dues that the member pays, the member also adds income to the organization through other programs and activities.

How much does one member contribute to your association's bottom line? By looking at one year's dues, you see only a small part of member's economic value. But by looking at retention patterns, you can calculate the average length of memberships. Once you've established that number, you can calculate lifetime value of a member.

Here are some formulas to help you:

1. Retention Formula

How many members does your organization retain each year?

% Retention =	# of Renewals **divided by** # Eligible to Renew	X 100

For example, if 92 of 100 members renew, your retention rate is 92 percent.

2. Loss Formula

How many members did not renew their membership this year?

% Loss =	# of Non-renewing Members **divided by** # Eligible to Renew	X 100

For example, if 80 members drop out from an eligible renewal base of 1,000, the loss rate is 8 percent.

3. Turnover Period

This is a key to the formula for determining lifetime value. The turnover period is the time in which your entire membership will disappear at your current loss rate if you obtain no new members.

Turnover Period (years) =	100 **divided by** Loss Rate (expressed in a percentage,

	not a decimal)

Thus, with an 8 percent loss rate per year, it would take about 12.5 years to wipe out your membership.

4. Cost of serving members

Although this is an overly simplified formula, you can determine a rough cost per member by dividing your total expenses by the number of members .

Average Cost = ($ per member)	Total Expenses ($) **divided by** # of Members	X 100

For example, if your association has $350,000 in expenses per year and a membership of 1,000 members, the cost to serve a member is $350 each.

5. Average Number of Years of Membership

Average Member Tenure (years) =	Turnover Period (years) **divided by** 2

If your membership turns over in 12 1/2 years, some members are staying one year, while others are staying much longer. The average member is going to stay just over half of the turnover period. But for our purposes, the simple formula of half the turnover period is a close approximation. So, the average member tenure in this example is 6.25 years.

6. Lifetime Value of a Member

Lifetime Value of Member =	Average Dues Income + Average Non-Dues Income	**X** Average Number of Years of Membership

Knowing the lifetime value of a member allows your association to realistically determine how much to spend in a membership campaign to recruit a new member. <u>The lifetime value of a member includes both annual dues *and* projected nondues income (such as meeting registration fees, publication sales, etc.).</u> In the example here, you have determined that the loss rate (the percentage that did not renew membership) is 8 percent and the average member stays a member for 6.25 years.

a. Lifetime Dues Income Formula:

Lifetime Dues Income of a Member =	Annual Dues Amount of a Member	X Average Number of Years of Membership

When you multiply average number of years of member by the annual dues amount, you obtain the dues-income value of a new member. For example, US$400 annual dues X 6.25 years results in $2,500 expected dues income from one new member.

b. Lifetime Nondues Income Formula:

Lifetime Nondues Income of a Member =	Annual Nondues Amount of a Member	X Average Number of Years of Membership

If you don't know the nondues income value, use this simple formula. Add all the nondues income line items in your budget and divide the sum by your total number of members. For example, in an association with $400,000 income, let's say $125,000 is generated from nondues. Thus, divide $125,000 by 1,000 members and you determine the nondues income is $125 per member. Multiply this by 6.25 years (average member tenure), and you can generalize that the nondues lifetime value of a member is $781.25.

c. Total Lifetime Value of a Member Formula: (from both Dues and Nondues Income)

Lifetime Value of Member =	Lifetime Dues Income + Lifetime Nondues Income

Add the lifetime dues income to the lifetime nondues income (for example, $2,500 + $781.25 = $3,281.25) to get anticipated revenue across the 6.25-year average expectancy of the member's renewals. Thus, for every new member, you'll receive approximately $3,281.25 across the lifetime of his or her participation in the association. If you can keep the member longer than 6.25 years, you will improve the value of the member.

II. Human Resources - A good retention program can also add to the human resources of your organization. If your organization can keep members coming back, they will get involved in organizational activities and move up through the various leadership positions of the association.

III. Save Time – Having a planned retention program can save time for your organization. It saves the time it would take you to replace members who have not renewed their membership with new members and it saves the time it would take you to continually try to get those members who are thinking of dropping out to renew instead.

IV. Measure the Effectiveness – A high retention rate allows you to measure the effectiveness of your current programs and services. The fact that your organization retains a high percentage of its members is a legitimate indication that you are meeting the needs of those members.

V. Non-dues Income – When retention goes up, non-dues income frequently goes up. When members continue to renew, it gives them an opportunity to better understand your organization's programs and services and see their value and benefit.

VI. Good Recruitment Tool – A high retention rate is actually a good recruitment tool because it is a great testimonial to your organization. When you are talking to prospective members about joining your organization, you can indicate that a high percentage of your members come back year after year.

A Five-Step Program for Membership Retention

The following suggested five-step system is one that can be put in place to increase the chances that your members will renew year after year.

Step One: Focus on Newer Members

When you are trying to increase the overall retention rate it makes sense to do something special to retain newer members.

Studies done by the American Society of Association and the American Chamber of Commerce Executives, indicate that first and second year members are the most likely to drop out of organizations, with first-year members making up the highest percentage of non-renewing members.

Your organization needs to let new members know that they are special. Try to identify as clearly as you can why people or companies are joining and what specific benefits they want. That makes it important to have a system for keeping careful track of your new members and identifying why they joined. Tracking can be done by having a space on your membership application for new members to indicate why they joined and what membership benefits interest them the most. If possible, it is important to make initial follow-up contact with new members within 30 days after they have joined.

See Appendix H as an example of a new member survey.

Also, in a separate .pdf document, see sample New Member Welcome letters to ASAE association executives and supplier/vendor members.

Step Two: Establish a New Member Orientation System

Even if your organization can identify specific reasons why people or companies are joining, you still need to establish a new member orientation. There are two ways that organizations orient new members. One way is through new member orientation meetings and through new member kits.

New Member Orientations

Holding orientation sessions for new members is a very effective way of letting new members know that they are special to your organization. You should try to bring groups of new members together to talk about themselves, and the organization, and about what they expect the organization to do for them or their company.

Another important aspect of holding new members orientation is that new members get to see other new members. This can serve as positive reinforcement for new members to see that others members have also joined and reminded them that they made a good investment.

Following the orientation, you should follow up with on a personalized bias. You can write and say "thanks for coming to our orientation. You mentioned that you were interested in ___________. Here's the information that you were looking for." This is a good way of reinforcing to a new member that your organization is listening to them and concerned about the company or institution they represent.

New Member Kits

Another option than trying to hold new member orientations as a method of welcoming new members, most organizations orient new members by sending them a new member kit. These new member packets are basically packages of information that are sent to new members immediately after they join the organization.

Typically, new member packets will include such things as a welcome letter from the president or chairman, membership card, membership plaque or certificate, information about all the association's programs and services (educational programs, meetings, advocacy activities) the most recent copy of the newsletter or publication, a sheet that asks the new members to sign up various volunteer opportunities, and a list of who to call at the association office for more information.

The membership certificate or plaque gives members a sense of belonging and recognition and can be used as a marketing tool for companies. They other item that they often take out right away is the membership directory and they look for their name, which usually isn't in there if the membership directory has already been printed.

Although membership kits serve a valuable purpose for orienting new members, rather than sending a whole packet of information at once, trying breaking it up and sending out parts of it over the course of the year. Since new members are among the most likely to drop out of the organization at renewal time, tell them from the start that they are special and that they will be getting a lot of information.

Knowing that new members won't be in the member directory, you can acknowledge this in a cover letter to them and indicate, "As a brand new member you are not, of course, listed in the current directory. Please look closely at the attached mailing label and check to be sure that all of the information is accurate so that we can include your listing in <u>next year's directory</u>." Instead of being disappointed at being left out from this year's directory, the new member is now anticipating being <u>included</u> in next year's directory.

Step Three – Try to Get Everyone Involved in an Activity

The third step in retention is involvement – individuals or companies getting involved in the activities of your organization.

When individuals or companies get involved in the activities of your organization, it is less likely that they will drop out because they view their involvement as an additional way to get a return on their dues investment.

Be careful not to equate involvement with your organization with only holding a leadership position such as an officer or committee member. While these people are certainly involved in your organization's activities, it is unlikely that all of your members are involved at that level. Some of your members will never assume a leadership role but that doesn't mean that they aren't involved or don't want to be involved. They just want be involved at a level that is comfortable for them in terms of their time commitment.

Tracking your Member's Involvement in Activities

Think of involvement as <u>participation in activities</u> as well as leadership in the organization. The key to using involvement as a retention tool is to document it by developing a system that will provide you with the ability to track the activities of your members. This can be done by devising some type of code that identifies each activities or function in your organization. Whenever a member participates in any activity (i.e., educational program), or function you should record that activity on your member record systems or a special activity tracking system. Tracking the involvement of members allows your organization to identify who is participating and who isn't. Since members who don't participate or get involved are among those who are likely to drop out of the organization, this tracking systems allows you to identify those members and contact them (i.e., phone call, email, a fax, etc.) before you send them a renewal notice and get no response.

Step Four – Give Some Form or Recognition to Those Who Do Get Involved

The fourth step in the retention system is that every time a person or company gets involved in your organization someone needs to say, "Thank you!" to that member. Recognition for involvement is an important factor in getting people to come back year after year and be involved again.

If a member attends an educational program, your organization needs to send a follow-up letter that thanks the member for attending. When someone buys a publication, enclose a note thanking them for participating in your organization. The note can say that in addition to the publication being enclosed that they requested, remind them of upcoming programs and events such as your next meeting or another educational program.

Step Five: Develop an Effective Renewal Invoicing Process

If your organization has done a good job or following the first four steps of the retention program, then you should be able to mail the renewal notice with great confidence that it will be returned with another year's dues.

Each organization has its own established method for sending out renewal notices. Here is one suggested approach:

1. Presuming an anniversary date for membership expiration, members should receive up to three billing notices; 60 days prior, on the due date, and a "past due" notice 60 days after.

2. At the point of being 90 days past due, unpaid members should receive a "Is anything wrong?" or "Why did we lose you?" letter from the board chairperson and brief survey. In the survey, offer check-off options to capture the major reasons for non-renewal. Make one option, "Oops! I forgot! Please renew my membership!

   If the survey is returned and you can reply, call or send a friendly letter or email. If the member has a complaint that can be fixed, do so. If not, explain why. In the worst cases, offering a free year's membership as an apology might win the member back for life.

3. At 120 days past due, lists of unpaid members should be prepared for personal contact follow-up, preferably by board members or other volunteers. Sometimes, at this point, only then is illness, death or business failure reported. Each volunteer is expected to make a report on the results of contacts made.

4. At the end of six months, unpaid members are retired to a special prospect list. Sending members appropriately targeted a new invoice after a year with a “we’ve missed you” can many times result in their rejoining.

In the case of illness or a business down-turn, an understanding approach can pay off in loyalty to the association for years to come. Members shouldn’t feel “hounded” when their lives or business is in crisis. For example, ASAE grants a one-year “grace” period to any unemployed member, continuing services without dues payment.

See Appendix I for a Sample of ASAE’s Retention Plan

See Appendix J for Sample Renewal Letters (90 Days, 45 Days, and One Week Prior to Renewal, 30 Days after Due Date, After 4-6 Months)

See Appendix K for a Sample Exit Survey.

Other Retention Strategies

- Personalize renewal mailings as much as possible.
- Give careful consideration to enclosures that you send with the renewal invoice. Many organizations like to enclose a cover letter, a message from the president, or a list of recent organizational accomplishments either before or with the first renewal invoice because it reminds members how their money has been spent during the previous year.
- Vary the message and appearance of each renewal notice to catch the member’s attention.
- Increase the urgency with each message, moving from a friendly “Time to Renew” to “Last Chance---You’re Missing out on Important Services!”
- Use volunteers for follow-up activities. A member can follow your renewal mailing with a reminder phone call or personal email and help respond to some complaints. Personal contacts are much more effective than form letters.
- Analyze non-renewal patterns. Are they concentrated in geographic areas, industry segments or demographic groups? Are there repeated complaints on the follow-up survey? This information should go back into your membership planning.

Closing the Loop – a Trade Association Example Payment of Dues and Value Derived

In many trade associations with corporate members, a large number of employees in each corporation are either involved in association activities or personally enjoy the benefits of membership. Yet only one or two people in the corporation typically decide whether to join or remain a member, and those decision makers often derive less benefit from membership than do their staff.

The **Envelope Manufacturers Association (EPA) (www.envelope.org)** in the United States closes the loop between the payment of dues and the value derived from them by tracking all contacts between a corporate member's employees and the association obtaining answers to questions, purchasing goods, enrolling in education programs, attending meetings, and so forth. Along with the annual dues invoice, decision makers receive a listing of all these contacts, plus a projected dollar value of the services. This information provides strong evidence of the real benefits to membership to whoever authorizes the membership renewal.

EMA also uses the information to reach out to members that derive little benefit from the organization. It generates a report showing how similar corporations are making the most of their association membership. Staffers sometimes make a presentation to employees of a relatively inactive corporation, showing how the association's resources can make an employee's job easier.

Getting Value – A Professional Society Example

The American Society of Consultant Pharmacists (www.ascp.com) has developed some inexpensive but effective tactics to ensure its 6,500 members receive the full value of their memberships. At their first orientation, new members are told to put a bright pink card titled "Achieve Your Goals -- Get Connected!" straight into their wallets; the card has contact information and reinforces the three top reasons to belong. ASCP also mails members a quarterly postcard designed like a prescription label ("Usage in any combination may result in positive interactions," notes one) to promote member engagement with each other. Finally, an eight-page brochure describes a four-step "Getting Value" process that includes completion of a goal-setting and professional planning template and a review of ASCP benefits and services. An impressive list of more than 50 "ways to connect" follows.

21st Century Trends in Recruiting and Retaining Members

In his book, Millennium Marketing, author Mark Levin identifies several steps to keep in mind for recruiting and retaining members in the 21st century.

1. **Identify the new marketplace and learn to deal with it.** Here are some factors that associations must consider to develop an understanding of the member of the future:

- **Internet Technology has changed everything –** created 24-hour access to information, broken down barriers between countries and time zones, and information is instantaneous.
  Members have become used to getting information, from anywhere and everywhere, and they expect their organizations to do the same.

Members can also easily access information from other (often competing) organizations through Web sites. Therefore, these organizations are giving your members an example of how they can meet your members' information needs.

- **Time is the new currency**. People still care about the cost of goods and services, and they still care about gathering information. But more than anything, they care about how much time it will take to get what they want.
- **Members and prospects measure time in many different ways**. With so many time pressures on people's personal and professional lives, people look carefully at membership organizations to determine if those organizations are adding to or helping them to cope with their time pressures. Instead of looking just at the programs, services, and products provided by the organizations, members, will also base their membership decisions on issues such as:
    - How much time will it take to get the information I want? Can I get it quickly?
    - How much time will it take to participate in activities? If members believe a large amount of time is required to attend meetings and functions to get value, the may conclude that membership is not worth the investment.
    - How much time will it take to serve in a leadership role? A certain group of members will always view leadership opportunities as one benefit of membership but the time factor can outweigh all of them. The successful membership organization must creatively structure its leadership opportunities if it is going to convince members they have enough time to be actively involved in any leadership capacity.
    - How much time will it take to convince my employer that membership is worthwhile?
- **That which is considered unique will be valued**. To understand the new membership marketplace, it's necessary to understand that people have more choices than ever before, about everything in their lives. To succeed, your organization must be able to quickly and effectively differentiate itself from all the other choices members have .This requires knowing the competition and being able to point out in a positive way what you can offer that the competition can't. Identify what's unique about your organization and emphasize that in membership marketing efforts.

2. **Invest in Technology to Recruit and Retain Members -** Staff and volunteer leaders need to understand that the primary purpose of any new technology should be to <u>improve service to the members</u>**.**

Ways to use Technology to Attract and Keep Members:

a. **Improve member and prospect tracking**. This should be the primary use of technology within a membership organization. It should also be the place where organizations with limited resources spend their money. Before designing and investing in an organizational Web site that tells everyone what you do, spend time and money installing a system that helps your organization understands what your members do. See the section on “Identifying and Qualifying Prospects” for the kinds of data you should collect in your membership database.

Gathering information about members and prospects allows your organization to better manage its retention program. The more that is known about a member or prospect, the easier it is to customize both the recruitment and retention efforts.   You are able to identify members who are the most active and those who are not (and therefore, less likely to renew.) Statistics indicate that members who actively participate in an organization are more likely to renew than those who don’t participate.

b. **Increase the Speed of Response**. Fax technology has become so commonplace that it’s no longer considered a new technology. However, it can still be used as an interim technology. For example, if someone requests membership information, one option is to fax them a cover letter with a summary of the key membership benefits, and let them know that a complete membership package will be coming in the mail.

Electronic mail or e-mail has become the fastest growing method of rapid communication, and allows you to respond instantaneously and to communicate with others in a quick, inexpensive, and widely accepted manner.

c. **Improve Quality.** If volunteer leaders want you to justify the time and expense necessary to upgrade technological capabilities, organizations should point to one reason: the ability to improve overall member service and organizational quality. Organizations need to focus their resources on what helps members, not just what helps the organization. Ways that technology can improve the quality of members services include more accurate membership records, faster response, better customization of communications and services, and upgraded publications (through the use of desktop publishing software).

d. **Recognize Volunteers**. Look for reasons to list as many members as possible on your Web site in a special manner. One example: One organization does this through an area called Heroes of the Month, which is listed on its home page along with other typical areas. When you click on “Heroes the Month,” it takes you to a list of members who have helped the organization with the past 30 days, along with their affiliation/employer and a brief description of what they’ve done to earn the organization’s appreciation.

You can also use e-mail to increase and speed up member recognition. When a member does something worth recognizing, even as small as returning a survey or attending a function, send a thank you via email. It’s much quicker and less expensive that sending formal notes or letters.

e. **Increase Member Involvement and Interaction–** In addition to using your Web site to allow access to the organization all the time, here are few examples to encourage greater member involvement.

- **Encourage a greater number of and more targeted chat rooms, electronic listserves and interactive sessions for members and prospects.** These kinds of interactions allow members to feel that they can participate in a way that is comfortable for them. Individuals are able to ask questions or make comments online and express themselves in a non-threatening way. People can see their own words added to a discussion and can receive feedback from other online participants. Chat rooms or listserves can be set up by areas of specialty within a membership or by a specific topic.

  - For example, ASAE has established 20 different kinds of listserves in each of its special-interest membership sections, including finance, marketing, membership, communications, etc. These listserves are an <u>exclusive membership benefit</u> and one of the most popular activities within ASAE.

- Use Web sites to seek the input of members and prospects through **online surveys.** Online surveys usually involve more members and you are able to gather valuable information and it fairly quickly.

- **Online membership directories** can serve as a marketing tool for member companies and individual members who have products or services to sell.

3. Create a Positive Membership Experience

To successfully attract and keep members in the marketplace, organizations will need to create a positive membership experience for all of their members. Here are 10 suggestions for doing that:

a. **Combine Technologies to Create Member Friendly Interactions with the Organization**. If someone calls your organization after the office is closed, on your phone message, direct them to your website at (name of website address) where they may be able to find the information they are looking for.

b. **Ensure Everyone Who Deals with Members Realizes He or She is Part of the Membership Experience –** not only those members and staffers who are directly involved. Because every contact with the organization is part of the membership experience, every person or entity that represents the organization becomes parts of the membership recruitment and retention team (i.e, receptionist, education staffer).

c. **Remember the Member or Prospect Begins Making Value Judgments with the First Contact.** No matter who initiates the contact, the member starts making a mental list of whether it’s worth joining or retaining membership in the organization. What first impression might prospects or members have of your organization if they encounter frustrating voice-mail menus or confusing Web sites?

d. **Don't Blame Members if They Don't Know How Your Organization Can Help Them**. Many organizations respond to callers with a friendly greeting such as "thank you for calling, How may we help you?" Unfortunately, the caller may not know how you can help. Begin by asking what is the particular problem or issue they want solved or information they need to get, and then help direct them to the right person.

e. **Never Believe you Have 12 Months to Convince Members to Renew**. Even though the first contact is very important, the membership experience continues beyond that point. Once a member joins, you have 12 months of interaction with that person before the renewal decision arises. It is vital to stay in touch using technology, hard work and common sense.

f. **Surprise your Members at Least Twice a Year by Doing Something they Don't Expect**. A personal contact, whether via letter or fax or email or even a telephone call goes above and beyond what members normally expect.

g. **Strive to be the First to Reach your Members with Everything.** The ability to respond rapidly and provide information in a timely manner are two elements of effective member service that members regularly evaluate. If your organization can't afford new technologies to improve the speed of response, <u>make information on new innovations and trends available to members before the competition does</u>.

   Membership organizations are in a unique position to do this, because many innovations and trends within an industry or profession exist because of them.

   For example, an organization, through member surveys or statistical gathering, identifies a need in the marketplace for a new product or service. The organization doesn't necessarily have to provide the service or produce the product. Its role might be to raise awareness of its members about the need for the product or service and its availability through other sources. The point is that they organization alerted its members to have issue before anyone else did. This action creates the image that the organization keeps up on the latest information and gets it to its members before other sources do.

h. **Personalize as Much of the Member Interaction as Possible**. Over the years, statistics have shown that personalized correspondence is more widely read and gains a higher response rate that impersonal correspondence (such as just a "Dear Member" greeting) The feeling of individual importance should be a vital part of the membership experience.

i. **Always Close the Loop on Member Communications**. Some membership organizations mistakenly equate effective member communications with the amount of information sent out to members. But truly effective communications requires a continuous loop: The organization sends information, the member responds to the information, and the organization acknowledges the member response.

This last step, which is often forgotten, offers another opportunity to create a unique membership experience. A membership organization should want to be the only product or service provider that goes the extra step to reassure members that they are being listened to.

One example is the member survey – the way most organizations seek input on what the members want them to do or provide. If you are having trouble getting responses to your surveys or questionnaires, it could be that the members don't believe the organization will listen to their opinions. If your survey asks a question about specific ideas or suggestions, and you know that your organization will not be able to implement some of the ideas or suggestions immediately, contact those members and acknowledge that you received their ideas, and thank them for those ideas.

j. **Ask the Right Questions –** If membership becomes nothing more than a series of products and services, some group or person will come along eventually and provide those products and services better, faster or cheaper than most membership organizations can. Therefore, it's essential to ask the following questions of your members:

1. **What problems do you need to have solved?** The member may only want information but this type of question conveys the organization's intent to be in business to assist and serve the member.
2. **What are your preferences?** This question relates to how they would like the organization to communicate with them (phone versus e-mail) or how they would like to purchase products or services from you (via mail, phone, or e-mail, for example).
3. **What do you think?** Asking for members' opinions is a basic and easy way to make them feel involved with the organization and, therefore, more likely to renew. Use every avenue possible – paper, fax, telephone, e-mail, Web site – to solicit opinions.
4. **What talents would you like to contribute?** By determining what members can do, and like to do, you can pinpoint ways for them to become more involved. When asking members to participate, not just in leadership positions but in many different ways, identify what they can accomplish by committing their time. If they don't have a lot of time, break down larger jobs into smaller, less-time consuming tasks.
5. **What are your communications capabilities?** Members will develop various technological and communications capabilities at different times. Find out what members are capable of and communicate with them at their comfort level.

Generating and Sources of Non-Dues Revenue

Introduction

Successful membership-based organizations are always looking for new ways to generate revenue. Over the last 20 years, nondues revenue has become a vital source of income for many associations. Associations know that they cannot become solely dependent on membership dues to meet their funding needs.

Likewise, association members are looking for more and more services and programs. They want associations to offer better and higher-quality services at a reasonable price while not raising dues.

According to the 12^{th} edition of the American Society of Association Executives' (ASAE)'s Operating Ratio Report, published in 2003, traditional nondues revenue sources continue to be the largest moneymakers for associations. These include meeting and convention registration fees, educational programs, exhibit booth sales, meeting sponsorships, and investment income.

In addition, in this same Operating Ratio Report, only 29 percent of the surveyed associations' revenue came from dues. Therefore, 71 percent of a typical association's operating budget come from sources other than dues.

Definition of Nondues Revenue

Any income generated into the organization that is not from membership dues.

Reasons for Pursuing Sources of Nondues Revenue

There are many valid reasons why your association may want to develop or expand programs that produce nondues revenue; you may want to:

- Provide a "bigger offering" of member benefits
- Retain members by increasing participation
- Fund special programs
- Hold off on a dues increase; or
- Increase members' lifetime value.

The important thing to remember when planning for nondues revenue is that everyone involved in the decision – staff, leadership, volunteer committee – should understand the reason for the program or service from the beginning. It will be easier to evaluate results as you go along, and eliminate a lot of second guessing if the program doesn't produce as rapidly as you planned.

Steps to Launching a Nondues Revenue Program

Before launching a nondues revenue program, the association should follow these steps:

1. **Determine Members' Needs by Conducting Market Research –** Don't launch projects for the sole purpose of making money. The most successful nondues revenue programs provide real member benefits. Your primary objective must be to fulfill a need. Ask the question: what do our members want and need? Ideas for new programs and services usually come from five sources:
   - your own members (best qualified to define needs)
   - former members and non-members (those who may have participated in association activities but have never joined)
   - your staff (close to membership and attuned to needs)
   - other organizations (competitors)
   - market research (surveys, questionnaires, face to face - interviewing Board members, visiting workplaces on-site, etc.)

   Before dedicating the staff resources and any expenses to provide new services, it's very important to determine up front what the true demand is for a product or service and what the responsiveness of the membership will be. It's vital to do in-depth and targeted market research so you have as much information as possible about how much the program or service will be used.

   See Appendix L for a couple of sample needs assessment surveys.

2. **Watch for Emerging Trends within your Profession or Industry –** As you conduct market research, ask, "what are the economic or political trends occurring within our profession or industry? Is there some need out there right now because of changes in the economic or political climate that our association could possibly meet?

3. **Segment your Membership by Various Target Markets to Identify Specific Needs**. Segment by type of member, by profession or industry, by number of years in profession or industry to find out what your target markets really need and want. The idea is to convince your members that your organization knows more about their needs than anyone else. Here is an example of a simple chart to help segment and understand your members' different needs:

Type of Member	What do we Know? What Problems do they Face?	How can we Help? (Solve the Problem)
New to the Profession or Industry	First job; continuing education; contacts	Monthly meetings to make contacts; educational programs
Experienced Member	Job security; recognition; retirement, continuing	Leadership opportunities, conferences, advanced

	education	educational programs

To fill in your first column, list your organization's categories of members. These categories can be as formal as the listed ones on your application (regular, affiliate, associate, corporate) or they can be descriptive of the work done or the position held (for example, new to the profession, small business, CEO). The idea is to determine the major demographic descriptions of your membership.

In the middle column, identify what you know about the problems they face every day in their job. The idea is to complete the middle column entirely from the member's perspective. If you don't know the answers to the second column, you must ask current members. Ask questions such as, "When you get up in the morning to go to work, what are the three biggest challenges you face? What are your three biggest daily concerns?"

This kind of information gathering is designed to help organizations focus their membership marketing efforts and to begin investigating potential new programs and services.

In the third column, try to identify current programs and services your organization already offers that may help to meet those challenges that were identified in column two. If you have a hard time coming up with ways, you will need to rethink what you are currently offering is that valuable to your members.

General Strategies to Meet the Needs of Member Segments

- **Tailor the product or service** to meet the needs of the member segment.
- **Offer pricing alternatives** according to members' ability and willingness to pay.
- **Select varying media** to communicate with member segments, taking into account such preferences as electronic mail, telephone, personal contact, and radio.
- **Prepare different messages** suited to the interests, area of specialty, education, level of income, etc. of member segments.

4. **Determine the Purchasing and Buying Behavior of Target Markets –** Determine what members within each target market is worth not only to your association but also to vendors seeking to reach them. For example, what is the purchasing power of your members? Who makes the buying decision? What factors influence his or her decision? What sorts of products and services do your members buy? Are they more likely to buy at certain times of the year?

5. **Develop Services Based on the Needs of those Market Segments and:**
   - which will set your organization apart from its competitors – you must understand the strengths, weaknesses and capabilities of your competitors
   - attract prospects to join, and
   - get current members to renew

Your programs must have the best price, be specific and relevant to membership and use the newest technologies. <u>The question is not: "Is our program or service interesting? But will members buy it?"</u>

See Appendix M for an article on "You are What you Charge For."

Also, on a separate .pdf document, see the article, "Strategic Pricing Practices," a reprint from ASAE's *Association Management* Magazine, July, 1998.

6. **Develop a Business Plan that Includes Adequate Staffing.** Be sure that you are aware of the staff time involved in launching a new program or service or how much time it will take to manage that program. If your program or service is successful, you will need to make sure that staff gives the necessary attention and time to servicing members.

7. **Examine your Return on Investment**. If you have to spend significant amounts of money to make that same amount of money, what's the point? The idea is that you want to spend as little money as possible to net as much money as possible. One example is sponsorships which can be 100 percent return. Getting a company or individual to pay for a social event or to sponsor a publication, for example, are a 100 percent return on the extra sponsorship money. Furthermore, there is no cost to bring in the additional sum.

8. **Consider Spin-offs of Popular Programs or Services that you Currently Offer, but still Make Sure that They Meet a Legitimate Need**. Sometimes the best revenue prospects are already within your organization. If you have a program or service that is working well, think of ways you can create related products or services. For example, if your educational programs are popular, consider offering your members a multiple educational programs' series or use the content from your educational program to develop more targeted educational programs along with a CD-ROM product.

9. **Kick off New Programs as a Limited Time Offer -** Set up one-on-one interviews with members and/or hold focus groups; you will usually know the success of your program within 90-120 days.

Six Criteria a New Non-Dues Revenue Program Should Meet before the Association Considers it:

- Members must have a significant need for the program or service.
- The service or program must offer significant revenue and income potential for the organization.
- The service or program must have a relatively low risk.
- The service or program must have few "moving parts" - meaning not complicated

- The services or program must help to advance the organization's mission and goals.
- The services or program must be affordable to members.

Primary Techniques for Assessing Member's Needs

- Printed or electronic questionnaires – see Appendix for sample printed needs assessment survey. Also, see www.zoomerang.com and www.surveymonkey.com, which are two companies that specializes in electronic surveys.
- Telephone interviews - Hire an outside firm or conduct telephone interviews in-house. Telephone interviews will produce immediate results but can be an expensive method to reach enough members to generate valid results.
- Focus groups or group interviews with small groups of 8-10 members led by a trained moderator, and for a short period of time (generally about 2 hours) can be useful in probing the aspects of a critical need or discussing a significant issue or several related issues.
- Face-to-face interviews will produce a very high response rate, but can be limited by the number of members you can realistically interview as well as cost. Many associations conduct personal interviews during major association events, and organize feedback from these interviews by market segment.
- Panels, which are comprised of members and who represent various key market segments, are sometimes used to identify and assess trends in the marketplace, identify new product ideas and/or can provide feedback to test potential strategy direction for the association. They are usually convened for a particular period of time – such as year, and panelists are asked to meet four times a year to provide feedback.
- Listserves are a self-directed online electronic discussion among a group of members that register or subscribe to participate in discussions. The listserves are usually comprised of individuals from the same profession, membership category, or special interest within the organization.

Other Ideas for Assessing Member Needs

- Consider adding a P.S. (postscript) at the bottom of your second or third renewal notice that says, "From 15:00 to 17:00, I am setting aside time to talk with members about their needs and concerns. I will plan to give you a call during that time."
- Send a brief questionnaire or postcard to new members six months after they join to ask about services they have enjoyed or what new products and services they would like to see offered.
- Having an online suggestion box that members can access and provide feedback to the association.
- Establish a help desk or customer service center to ask members about their needs and interests and feedback on specific association programs and services.

Transitioning from "Free" to Paid Services

If members have been used to getting a lot of "free" services that they will now have to pay for, it will be critical that your association consider the following actions:

- Identify all the products and services your association provides that is "for-a-fee" versus "for-free."
- Develop a matrix that looks at how often various products and services are used among the various membership segments. See if there is a trend or pattern on the value of these products and services and how they are viewed by these segments. If you don't have any data tracking how often your members have used various products and services, you may need to survey your members to obtain this research.
- Based on this matrix, determine which products and services would be feasible to become "for-a-fee," which ones need to remain "for-free" and which ones need to be eliminated.
- Put a price-tag on the services that would become "fee-based", according to the results of your member research (the willingness and ability to pay for various services).
- Based on your research, create a membership package that will cater to your association's membership segments and that will include the bundled and non-bundled services.
- Raise awareness and understanding internally by training the staff about the services that will be "for-a-fee."
- Launch an awareness campaign to inform your target audiences about the new "for-a-fee" services. This could include: holding events, conducting personal visits, emails, and telephone calls, announcing in publications, sending out press releases, and developing new marketing material.

Some of the points in your awareness campaign can include the following points:

1) Beginning now, you will be asking more from them financially. You might want to indicate that in the past the association was being subsidized by donors to get the association going, but in order for the association to be sustainable long-term, the association will now need to be charging for these services.
2) Try to liken your reasoning to the fact that like any business, you have to make money to stay in business.
3) Try to help your members understand that charging for these services is a big investment, but suggest that it's the kind of investment that will be returned back to them many times over with more valuable programs and services.
4) If some of the services you now have to charge for revolve around government relations or publications or competitive advantage, highlight some of the same reasons found in the section, "Identifying Benefits of Joining" to underscore the importance of their continued financial support for these benefits.

Sources of Nondues Revenue

It's very probable that some great opportunities for nondues revenue already exist within your organization but just need to be identified. Of course, there are many different programs that are from outside sources. The following is not an all-inclusive list, but it might help to get some creative ideas generating within your organization.

Publications

You can sell many types of publications as a source of nondues revenue, including

- Industry Statistics
- Market Research and Reports on latest trends, issues
- Membership Directories
- Buyer's Guides – listing of companies that supply products and services to your members. For example, ASAE's Buyer's Guide is part of its Membership Directory.
- Premium Directory Listings – Rather than limiting a company's listing to 25- 50 words or less or four lines of text, allow companies to exceed that limit and charge them a fee for every additional word. (Example, US$10 per word).
- How-To Manuals or Booklets/Pamphlets as background information on specific subjects
- Advertising in Membership Directory and other Publications
- New publications
- Back issues of publications

Magazines and Newsletters

A regular publication such as a magazine or newsletter can offer many potential areas for nondues income:

- Subscriptions to magazine or newsletter
- Advertising within the magazine or newsletter – either in printed form or electronically
- Reprints of articles from magazine or newsletter
- Articles compiled by subject
- Indexes of prior issues of magazine or newsletter
- Partnering with an outside publications vendor for more up-to-date information and trends on your particular industry or professional that can be part of your electronic newsletter or magazine.
- Sponsors of a particular magazine or newsletter issue

Web sites

- Selling of advertising space (i.e., banner ads) on Web sites to member and nonmember companies. Have a member rate versus a non-member rate.
- Sponsors from companies to create an expanded section of your website with up-to-date information targeted to various audiences – (i.e., public, professionals related to industry, etc.). This will depend on type and scope of industry or profession to see if this is applicable.
- Online Job Bank and Career Development Resources – a web-based posting service on which employers can post job openings, and pay fees depending on the number of postings per month.
- Online Educational Programming/Training Courses – offering targeted content through a learning management system that tracks course usage, exam scores and other relevant information.
- Online Professional Services Locator – general public or members of related profession or industry can search geographically or some other criteria for your members. Companies pay to advertise in this section of the association's website.
- Online auction – offer a variety of donated items to be auctioned to members, who have a specific period of time to place online bids. An outside vendor can host the auction.
- Linking your organization's Web site to the company or individual Web sites of your members for a fee.
- Offering legal advice online
- Online exhibition or trade show virtual booths
- Online non-periodical publications
- Online trade directory – (buyer/seller network that features an indexing system that allows buyers and sellers of products and services to match their needs)
- Online video libraries (offer an online subscription or pay per view on various training topics)

Educational Programs, Meetings/Forums, Training Courses and Trade Shows

Educational programs, roundtables workshops, conferences and training courses are all sources of nondues income:

- Registration fees from educational programs, meetings and tradeshows
- Sponsorships for meals, speakers, receptions, parties, music or entertainment
- Sales of materials to nonmembers at these events
- CDs from meetings/educational programs that include PowerPoint slides
- Registration Lists
- Exhibit booth sales
- One-day fees to meetings, trade shows, etc.
- Exhibit-only passes
- Fees for hospitality suites
- Convention or meeting souvenirs
- Fees for spouse and children's programs

- Advertising in convention publications, promotional materials and on the backs of tickets.
- Bulk tickets for suppliers or exhibitors to provide to their customers for food booths or receptions
- On-site bookstore

Affinity or Vendor Sponsorship Programs

Partnering with:

- Car rental companies to provide discounted car rental fees to members – car rental royalty is usually based on the gross revenue from members' rentals, usually with a range of 2 to 5 percent, depending upon volume.
- Express-shipping and freight companies to members for discounts on domestic shipments.
- Long-distance telephone companies to offer members discounted usage rates – most programs pay 2 percent or more of call revenue to the association.
- Computer vendor companies to develop software specifically tailored to the needs of your members.
- Broadcast electronic marketing and fax services' companies to offer web-based electronic services to members.
- Technology services company to provide e-mail list management software solutions and outsourcing services (i.e., listserves).
- Credit card companies (i.e., VISA or MasterCard, for example) – members apply for a VISA or MasterCard and associations may be compensated on a per card issued or renewal basis, per transaction, percentage of finance charges, percentage of purchase volume, or a combination of these factors.
- Retirement plan companies to offer various investment options for its members and the association receives a royalty
- Insurance firms to provide variety of insurance coverage plans to members (i.e., Property, General Liability, Business Interruption, Computer Systems, Automobile Liability, Crime/Employee Dishonesty, and Worker's Compensation, etc.)

Rental Income

- Rental income from extra office space
- Rental of any special computer or electronic equipment – LCD projectors

Specialty Items

Some associations sell the following type of items at meetings, educational programs or trade shows with the association logo on them:

- Coffee Mugs
- Jewelry

- Lapel Pins
- Tote Bags
- Caps
- Sweaters
- T-shirts

Other Ideas

- Additional Mailings **–** (for trade associations) – Each contact within a member company receives the association's mailing. For an additional fee, member companies can add additional employees to the association's mailing list.
- E-mail protection service – members can contract for an anti-spam and virus protection services that have been evaluated and approved by the association as an "Endorsed Product."
- Certification program
- Selling mailing list of membership to association's supplier members
- Discounts on tourist attraction admission tickets
- Purchasing computer-related products (e.g., databases, software, etc.) and selling them at a discount to members
- Consulting Services
- Matchmaking Services – between buyers and sellers

Examples of Services Associations Offer but Did Not Create Themselves

1. U.S. Chamber of Commerce

The reports below are highlighted on the U.S. Chamber of Commerce's website as part of its Trade Toolkit: see: http://www.uschamber.com/sb/learn/trade/default However, when one goes to click on each of these reports, the U.S. Chamber of Commerce has actually provided links directly to the U.S. Department of Commerce, U.S. Department of State or other U.S. government agency websites for the information. Therefore, here is an example where the U.S. Chamber makes this information as a benefit of membership, but does not create the information itself.

Reports

Country -- Examine country-specific information from Afghanistan to Zimbabwe.
Agriculture -- Dig up the latest info on agriculture across the globe.
FAS Attaches -- Examine export opportunities in the agricultural and forest industries.
Industry -- Find the industry-specific analysis you need.
Market Insights -- Learn about specific foreign market conditions and opportunities.
Statistics -- Analyze the latest numbers.
Exchange Rates -- Get the latest exchange rates.

2. Small Business Exporters Association (SBEA)

The Small Business Exporter's Association also provides links to information that already exists within the U.S. Government, and makes this available to SBEA's members.

See the links below to this information as an example:

Newsletter With Legal Information For Smaller Exporting Companies
SBEA's law firm sponsor, Strasburger and Price, offers our members a terrific FREE newsletter with updates and advice for smaller companies involved in international trade. To read a sample copy, go to
http://www.strasburger.com/calendar/news/exportcomp/0408.asp

Product and Country Exporting Statistics
Check on trade flows, by product category and destination, as well as by state of origin within the U.S., at this useful site. Click on http://tse.export.gov/ for a link to National Trade Data and State Export Data.

Potential Services to Attract International Members to Jordanian Associations

- Monthly Economic Bulletins –timely articles, commercial leads, calendar of events.
- "Doing Business in Jordan" Guidebook – listing of international companies doing business in Jordan, economic and market trends, political summary, statistical data.
- Position papers on various issues impacting business and investment in Jordan.
- Booklets on specific industry sectors targeted for growth within Jordan's economy.
- Consulting/Legal Advice for international companies wanting to export to Jordan.
- Guest speakers on "hot topics" related to trade and investment issues.
- Hosting inbound sector specific trade delegations.
- Exclusive Forums, Roundtables, Breakfasts, and other Events
- Conferences/tradeshows that foster high-level connections and allow for one-on-one meetings between buyers and sellers of products.
- Member password protected section of website that provides directory listing of all members within association, their areas of specialty, products they sell, etc.

Membership Recruitment and Retention and Non-Dues Revenue Manual

Appendices

Developed for Jordanian Business Association Executives

June, 2005

Appendix A
Antitrust Laws in the United States

The Sherman Act, the Clayton Act, and the Federal Trade Commission Act are the three principal antitrust laws which may affect associations. These laws, and especially the Sherman Act, were written many years ago in an effort to curtain abuses which as those of the large trusts, cartels or monopolies which were perceived as threats to healthy competition and legitimate growth of other business.

The Sherman Act was passed in 1890 and prohibits, among other things, "Every contract, combination…. or conspiracy in restraint of trade or commerce" and any monopolization or "attempt to monopolize… trade or commerce."

The Clayton Act was passed in 1915 and contains prohibitions concerning illegal situations arising from mergers, price discrimination, brokerage, and exclusive dealing.

The Federal Trade Commission Act was also passed in 1915. It prohibits "unfair methods of competition…" and "unfair or deceptive acts or practices." The "unfair or deceptive acts or practices" prohibition of the FTC Act extends far beyond Sherman Act concerns of competitive injury and covers injury to consumers as well as competitors.

For more information about U.S. antitrust laws, consult the *Association Law Handbook*, Third Edition, by Jerald J. Jacobs, and published by ASAE, 1996.

Appendix B
Example of a Bundled Membership Package with Five Membership Categories and Benefits for each Category

AMERICAN SOCIETY OF ASSOCIATION EXECUTIVES (ASAE) (www.asaenet.org) This information is taken from ASAE's website.

ASAE, known as the association of associations, is considered the advocate for the nonprofit sector. The society is dedicated to advancing the value of voluntary associations to society and supporting the professionalism of the individuals who lead them. Founded in 1920 as the American Trade Association Executives, with 67 charter members, ASAE now has 25,000 individual members who manage leading trade, professional, and philanthropic associations. ASAE represents approximately 10,000 associations serving more than 287 million people and companies worldwide and vendors that offer products and services to the association community.

Membership Categories

- Association CEO--US$275/year (includes principals of association management companies)
- Association Professional Staff--US$245/year (includes association management company staff)
- Industry Partner(Supplier)--US$375/year (individuals who market to ASAE members, members of learned professions, and others who are not full-time association executives)
- Full-Time Student--US$30/year (if employed, part-time basis only)
- Lifetime Membership

Membership is further tailored to your specific needs through participation in any of 13 Professional-Interest Sections. You'll find a network of peers in each section discussing the issues you deal with day-to-day.

Association CEO Benefits

As an association CEO, we know your time is at a premium and you need information quickly and succinctly. ASAE connects you to nearly 7,500 of your peers through participation in listservers, targeted educational seminars, conferences and more. Join today and:

- Save time and learn new approaches to old problems, quick answers to your daily dilemmas, and more with The Center for Association Leadership's Knowledge Center/Information Central—your fast, customized research and information service.
- Enjoy generous discounts on over 300 publications and audio tapes including our top sellers: *The Will to Govern Well: Knowledge, Trust & Nimbleness, Millennium Membership: How to Attract and Keep Members in the New*

Marketplace, and *High-Impact Governing in a Nutshell: 17 Questions that Board Members and CEOs Frequently Ask*.

- Improve your organization's bottom line with ideas and strategies specifically geared toward CEOs at one of the many seminars and symposia offered nationwide. Too busy to leave the office? Check out our virtual seminars offered by The Center for Association Leadership.
- Join the Executive Management Section, created specifically for our CEO members—but don't stop there. We offer twelve other professional-interest sections that provide in-depth information and opportunities to network with others who share your interests. Participate in each section's networking listservers—online discussion forums where members can exchange challenges and ideas.
- Earn recognition for your leadership and accomplishments by obtaining your Certified Association Executive(CAE) designation, submitting articles for ASAE newsletters, serving on an ASAE committee, or sponsoring new members.
- Stay on top of the latest techniques and trends each month through ASSOCIATION MANAGEMENT magazine, which includes a monthly "CEO to CEO" column.
- You've got an opening. We've got a professional. With nearly 10,000 association executives' resumes in our searchable database, and the opportunity for you to post job positions, you're likely to find your next employee through ASAE's Career Headquarters.
- Locate association colleagues and industry suppliers through ASAE's Who's Who in Association Management Membership Directory & Buyers' Guide.
- Find top-quality business products and services for you and your association through ASAE's sponsored member benefit programs.
- Gain representation through efforts by the association industry's leading advocate.

Association Professional Staff Benefits

ASAE connects you to nearly 10,000 association professionals across the country through participation in Listserves, targeted educational seminars, conferences and more. Join today and:

- Receive in-depth information and network with colleagues who share your interests through ASAE's thirteen professional-interest sections. Participate in each section's networking list servers—an online discussion forum where members can exchange challenges and ideas.
- Enjoy generous discounts on over 300 titles of publications and audiotapes including our top sellers: *The Will to Govern Well: Knowledge, Trust & Nimbleness*, *Millennium Membership: How to Attract and Keep Members in the New Marketplace*, and *High-Impact Governing in a Nutshell: 17 Questions that Board Members and CEOs Frequently Ask*.
- Find ideas and strategies to improve your organization's bottom line and advance your personal and professional development at any of The Center for Association

Leadership's seminars and symposia. Too busy to leave the office? Check out our virtual seminars.

- Earn recognition for your leadership and accomplishments by obtaining your Certified Association Executive(CAE) designation, submitting articles for ASAE newsletters, serving on an ASAE committee, or sponsoring new members.
- Stay on top of the latest techniques and trends each month through ASSOCIATION MANAGEMENT magazine.
- Learn new approaches to old problems and find quick answers to your daily dilemmas using resources found at the Knowledge Center/Information Central—your fast, customized research and information service.
- Thinking about a career change or need a new employee? We've got an opening or a candidate. Visit Career Headquarters today.
- Locate association colleagues and industry suppliers through ASAE's Who's Who in Association Management Membership Directory(available only to members) & Buyers' Guide.
- Find top-quality business products and services for you and your association through ASAE's sponsored member benefit programs.

Industry Partner (Supplier) Benefits

As an industry supplier, you provide targeted products and services to the association market place. Whether you specialize in hospitality, business, financial, technology, or insurance consultation, membership in ASAE opens doors to the association community.

Reach more than 22,000 members--18,000 are association executives who represent approximately 13,000 unique not-for-profit organizations when you:

- Expand your understanding of the association industry's language, issues, and rules quickly and easily and save time on market research through the Knowledge Center/Information Central.
- Build corporate identity for your brand by developing a customized sponsorship package based on your marketing objectives. Sponsor a symposium, luncheon event, conference or education program.
- Increase your share of the association market by reviewing the advertising opportunities available in ASSOCIATION MANAGEMENT magazine, specialized directories, newsletters, or on the Web site.
- Gain access to thousands of associations through the Gateway to Associations—an online directory of regional, national, and international associations.
- Showcase your company with a listing in the Buyers' Guide section of ASAE's Who's Who in Association Management Membership Directory—available in print and online.
- Be part of our new business partner model at Springtime and at ASAE and The Center for Association Leadership's Annual Meeting and Exposition, which attracts more than 5,000 registrants.

- Share your expertise in the industry and gain recognition by speaking at an educational event, submitting articles for ASAE newsletters and publications or serving on a committee. Find out how to get involved.
- Select as many of our 13 professional-interest sections as you'd like to be associated with and we'll send you quarterly e-newsletters filled with valuable information on each of the specific association management specialty areas.
- Subscribe to the section list servers and monitor online discussions regarding a variety of association management issues.

Student Benefits

Gain access to management professionals who are looking for you, network at conferences and meetings, and discover the essentials of association management through educational programs, ASAE publications, online discussion forums, and more.

Student membership in ASAE is open to all full-time students in undergraduate and graduate programs in any area of study, including those enrolled in law programs. Student members may be employed on a part-time basis only.

An ASAE student membership includes a free subscription to the online version of ASAE's award-winning ASSOCIATION MANAGEMENT magazine. Articles address issues, programs, news, and trends important to nonprofit organizations.

Click here to find answers to common questions about ASAE student membership.

- Interested in a career in association management? At ASAE's Career Headquarters, you'll find everything you need to begin your career in associations and search available positions in the industry.
- Need research and information on the association industry? Ask ASAE's Knowledge Center/Information Central. Membership in ASAE includes free use of the Knowledge Center, the industry's premier clearinghouse of information—a great reference for any research paper. For a quick overview of statistics on associations, check out Associations in a Nutshell.
- Browse through over 300 titles of publications and audiotapes at the ASAE Bookstore.
- Networking—build relationships with association professionals and students who have similar goals through the networking list servers, educational programs, and meetings and conferences.

ASAE Life Membership

Life membership is available to ASAE members who have fully retired and want to keep in touch with the association management community.

You can stimulate your mind and enjoy nearly all ASAE member benefits. Meet new people and reacquaint yourself with former colleagues at educational programs. Stay abreast of association management topics and issues through section newsletters, ASSOCIATION MANAGEMENT magazine, research reports, statistics, and books.

It's your choice

You don't have to lose the resources that were once at your fingertips. Retirement is only the beginning. Tailor your ASAE membership to meet your needs.

Non-Paying Life Membership--you pay no annual dues; you are retained on ASAE's records and listed in the membership directory; you are eligible for member discounts.

Paying Life Membership--you pay $30 annual dues (billed annually in the month in which you join); you receive full benefits except the right to vote and hold office; you continue receiving ASSOCIATION MANAGEMENT magazine.

Appendix C
Sample Membership Categories and Packages for Professional Societies

1. INTERNATIONAL TRADEMARK ASSOCIATION - (http://www.inta.org)

The International Trademark Association (INTA) is a not-for-profit membership association of more than 4,600 trademark owners and professionals, from more than 180 countries, dedicated to the support and advancement of trademarks and related intellectual property as elements of fair and effective national and international commerce.

INTA has SIX MEMBERSHIP CATEGORIES. They are as follows:

Organization membership (categories 1-4) is company and location-specific, and all individuals associated with a member organization will be listed under the same address. Additional offices/locations of the member organizations must obtain separate memberships to receive benefits.

Also note that a Designee must be selected to receive and circulate information from INTA and serve as the primary INTA contact. In addition to the Designee, staff of the Member Company may be added to INTA's mailing list at no charge and receive member benefits. Dues are pro-rated, so please see our dues chart to determine your join fee.

NEW: Individual membership (categories 5 & 6) is available for professors and students only. Membership applications and payments received between January 1 and September 1 will be valid for membership through December 31 of the same year. Applications and payments received after September 1 will be valid for membership through December 31 of the following year.

This chart below is taken from INTA's website:

(1) Regular Member Annual Dues: US $850.00	Regular membership is available to corporations, associations or individuals that own one or more trademarks, service marks or certification marks. Applicants that are eligible for Associate membership (including law firms), described below, are not eligible for Regular membership. Regular Members are entitled to one vote at all stated meetings of the Association and are considered as part of a quorum.
(2) Supplementary Member Annual Dues: US $575.00	Regular Supplementary membership is available to entities that are affiliated with Regular Members of INTA, as defined above, through common ownership. Supplementary Members may be heard at any stated

	meeting of the Association, but are not entitled to a vote and are not considered as part of a quorum.
(3) Regular Reduced Member Annual Dues: US $575.00	Regular Reduced membership is available to corporations, associations or individuals that own one or more trademarks, service marks or certification marks, but have gross annual sales of US $100 million or less, or that are academic institutions. Regular Reduced Members are entitled to one vote at all stated meetings of the Association and are considered as part of a quorum. To qualify, please submit a signed copy of your company ’s most recent financial statement with your application.
(4) Associate Member Annual Dues: US $700.00	Associate membership is available to corporations, firms, associations or individuals that provide services related to trademarks or trademark law. Associate Members do not qualify for Regular membership even if they own one or more marks. Associate Members may be heard at any stated meeting of the Association, but are not entitled to a vote and are not considered as part of a quorum.
(Optional, available only for categories 1 - 4) **Additional Membership Directory Listing** Each Listing: US $150.00 (maximum is five)	As part of your organization ’s membership, the Designee is listed in the print and online *INTA Membership Directory* under the Member Company ’s name. Up to five (5) additional organization representatives may be listed in the *Directory* under the Member Company as well, provided those representatives work in the same location as the Designee. The additional representatives also receive a copy of the *Membership Directory* and a print subscription to the print *INTA Bulletin* newsletter. Please note: Employees of your company or firm may be added to our Association database and mailing lists free of charge.
(5) Professor Member Annual Dues: US $75.00	Professor membership is available to individuals who devote substantially full time to teaching intellectual property at a recognized university or law school. Professor Members may be heard at any stated meeting of the Association, but are not entitled to a vote and are not considered as part of a quorum.

(6) Student Member Annual Dues: US $25.00	Student membership is available to full-time or part-time law students or non-attorney legal students enrolled at a recognized university or law school. Student Members may be heard at any stated meeting of the Association, but are not entitled to a vote and are not considered as part of a quorum.

INTERNATIONAL TRADEMARK ASSOCIATION'S MEMBER BENEFITS/PACKAGE

INTA delivers a growing list of benefits and services to its member organizations and their employees, including:

EDUCATION AND NETWORKING

INTA Membership Directory
This annual listing of members provides easy access to trademark professionals around the world. The *Directory* is available in print and online through INTA 's Members Only Site. In addition to being listed in the Membership Directory, student members can access it online through INTA 's Members Only Site. Student members may also purchase the print Membership Directory at a discounted rate of US $40 by contacting customerservice@inta.org

Annual Meeting
The INTA Annual Meeting, held each May, is the largest and most prestigious meeting of the international trademark community. Attendees join more than 7,000 participants for five days of educational programs, committee meetings, exhibits, social events and networking opportunities. Regular Members save more than $450 on meeting registration fees. Student members pay only US $225 to attend the Annual Meeting.

Leadership Meeting
INTA's Leadership Meeting, held each November, is one of the many benefits to the Association's more than 2,200 committee members. This meeting provides INTA's leadership with the unique and rewarding opportunity to make meaningful contributions to the advancement of the Association's objectives, attend five days of educational programming and network with Association leaders.

Forums
INTA's many forums provide in-depth and practical analysis of a variety of relevant and timely trademark topics. Ranging from the fundamentals of trademark law to advanced legal and business issues, INTA's forums provide its members with valuable education and networking opportunities. Student members pay only US

$225 to attend INTA Forums.

Roundtables
These popular two hour discussions, typically hosted by members during lunchtime hours and held in numerous cities throughout the world, are an ideal way for members to meet colleagues and stay current on trademark issues. One free registration is available to a student member at each roundtable on a first come, first served basis.

Workshops
These half-day educational programs provide intensive education on basic topics in trademark law to non-attorney trademark professionals and new attorneys. Workshops feature expert presentations, skill-building tips and, where appropriate, hands-on training to provide trademark professionals with the invaluable tools of the trade. Student members pay only US $60 to attend INTA Workshops.

E-Learning
E-learning is a customized, multi-media educational experience made available through the Internet. Participants log in to the program at any time, day or night, from any location, and proceed through each section of the course at their own pace. Student members receive a 75 percent discount on INTA's e-learning programs.

Continuing Legal Education (CLE)
INTA is an approved sponsor of professional educational programming for U.S. and U.K. attorneys, and CLE credits are available for most programs.

As it appears, student and professor members, for example, enjoy the same membership benefits, including access to INTA's members-only section of web site and listing in Membership Directory, as INTA's regular and associate members, but at a reduced dues rate. However, student and professor members are not entitled to vote and are not considered as part of the membership quorum when there is a vote.

INFORMATION RESOURCES

Members Only Site
INTA's Members Only Site is available exclusively to members and offers information and reference material not available to the public. In it, members will find a fully searchable electronic version of the INTA Membership and Committee Directories, *The Trademark Reporter* ®, the *INTA Bulletin*, *Country Guides* and other INTA publications, the INTA Knowledgebase, an online library that puts the entire breadth of INTA research and knowledge right at your fingertips, and many other valuable information resources.

INTA Bulletin
This biweekly newsletter provides members with up-to-date news on Association issues, trends in trademark law practice and procedure, and legislative activity and

business developments that affect trademark law in more than 180 countries. Student members receive the *INTA Bulletin* as an electronic newsletter via email and can also access it through INTA's Members Only Site. Student members may purchase an annual print subscription at a discounted rate of US $10 by contacting customerservice@inta.org

***The Trademark Reporter*® (*TMR*)**
This bimonthly journal contains original, scholarly articles by leading authorities in trademark and unfair competition law, covering trademark developments worldwide. Since its inception in 1911, the *TMR* has remained one of the most well-respected institutions of INTA. The *TMR* is available to student members through INTA's Members Only Site. Student members may purchase an annual print subscription at a discounted rate of US $30 by contacting customerservice@inta.org

Online Publications
INTA's first venture into online publications, *Country Guides: Basic Information on Trademark Registration Worldwide*, is a searchable resource of practical information on trademark filing, prosecution, registration, maintenance and enforcement on a country-by-country basis and is accessible through the Members Only site. This effort reinforces INTA's reputation as the pre-eminent source of information on trademarks and related issues. The Association will release two additional online publications – at the end of 2004 *International Oppositions Guide*, and in 2005 *Practitioner's Guide to the Madrid Agreement and Madrid Protocol*. An expanded edition of *Country Guides* is also planned.

CAREER DEVELOPMENT AND JOB OPPORTUNITIES

Job Bank
This free, confidential, online service is an excellent way to fill an intellectual property position or to look for a new job. Only members may post a job announcement, but anyone may search the Job Bank. The Job Bank saves members substantial recruitment expenses and helps individual intellectual property professionals find new opportunities

Volunteer Opportunities
As an INTA member, you have the opportunity to become involved in and contribute to a number of programs and groups. Many day-to-day activities of the Association are conducted through its volunteers. Annually, more than 2,200 member volunteers, together with a dedicated professional staff, share their collective expertise, common interests and visions through more than 25 different committees. Additionally, you may also have the opportunity to host a roundtable, speak at an event and contribute to Association publications.

REPRESENTING TRADEMARK OWNERS

Policy Development & Advocacy
As a leading advocate for trademark owners, INTA works to improve trademark laws

and policies and harmonize their implementation. The Association, often in cooperation with national, regional and international intellectual property organizations, encourages adoption of, and adherence to, trade agreements and multinational treaties, acknowledging that trademark protection encompasses broad trade concerns.

Trademark Hotline
This helpful service offers media representatives, journalists and editors reliable answers to trademark-related proper use questions. By providing this resource, INTA saves trademark owners time in responding to these questions.

Trademark Checklist – New! 2004 edition
Compiled from Trademark Hotline inquiries, media representatives, journalists and editors use this reference guide to verify the spelling and proper use of approximately 3,000 U.S. registered trademarks. The Checklist is available in both print and electronically and has been updated and revised to include nearly 400 new marks.

Alternative Dispute Resolution (ADR)
Through this program, INTA and the CPR Center for Dispute Resolution offer mediation services to parties that seek to resolve trademark, trade dress and unfair competition disputes without litigation, saving valuable time, energy and costs. Members have access to a panel of distinguished intellectual property attorneys who serve as neutrals to resolve such conflicts.

2. **ASTD (AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT) (http://www.astd.org)**

ASTD (American Society for Training & Development) is the world's largest association dedicated to workplace learning and performance professionals. ASTD's 70,000 members and associates come from more than 100 countries and thousands of organizations--multinational corporations, medium-sized and small businesses, government, academia, consulting firms, and product and service suppliers.

ASTD has FOUR MEMBERSHIP CATEGORIES:

1. ASTD Classic Membership provides a wide range of products and services designed to help you save time and money, achieve your career goals and enjoy the professional recognition you deserve. *(US$180.00 classic membership only (not including chapter dues)*

***2.* Group memberships** are available to organizations with five or more ASTD members. The individuals can be located at one office site or throughout satellite or branch office locations, domestically and/or internationally.

This chart below is taken from ASTD's website:

RATES & Pricing

Classic Membership

- 5-24 members $US159/per individual
- 25+ members $US145/per individual

E-membership

New *E-membership available for international groups*

- 5-24 members $US135/per individual
- 25+ members $US120/per individual

3. Electronic or E-Membership is available to internationals who can get the best of ASTD membership for less -- and faster.

E = Electronic delivery
All benefits of classic membership delivered via the Internet, rather than by standard mail.
E = Extra Savings
Save as much as US$100 on e-membership. E-membership is just US$150 annually.
E = Exclusively for our members outside the United States

ASTD's Member Benefits/Package

Take a quick glance at the many benefits ASTD Members enjoy--professionally enriching benefits designed to help workplace learning and performance professionals stay informed about the industry and connected to opportunities and networks worldwide. PLUS many new benefits designed to help you personally as well!

***T+D* magazine**
Consistently ranked as the most valued benefit by ASTD Members, *T+D* magazine puts you in touch with some of the best minds in the business--each and every month. Regular features and practical views on industry trends, best practices, professional development, product reviews, and more. PLUS members may download PDF files of archived *T+D* articles from the current year at no cost.

The Buzz
Exclusive Member Benefit
By scanning the content of over 7000 worldwide publications, ASTD delivers quick-read summaries of the very latest news affecting the training industry to your mail box each and every week.

ASTD *State of the Industry Reports*
Put ASTD's proprietary research to work for you. Data from these sought-after reports lets you compare your organization's training programs to others within your own industry. Find out how training ranks among competitors, how much money is being spent, how much employee time is invested, and how it's paying off. Members receive all ASTD research reports as a benefit of membership.

ASTD Links
Exclusive Member Benefit
ASTD's monthly news service directs you to our latest research findings, public policy initiatives, the latest research findings, ASTD Chapter and Member news. Includes *In Practice*, ASTD's colleague-to-colleague forum where members share what's working through interviews with and articles from practitioners, authors, and other experts.

Learning Circuits
Exclusive Online Archive and Selected Content
Discover the latest technological developments affecting training, learning, and knowledge management initiatives, in this online magazine that focuses on the fast-paced world of e-learning.

Trainlit Literature Database
Exclusive Member Benefit
Save hours of research time and with the most comprehensive training literature database in the world. Summaries of more than 20,000 articles and books from 1983 to the present.

ExecuBooks
Exclusive Member Benefit
ExecuBooks provides an online library of crisp, concise book summaries of the best in business literature. Select a summary, and in just 15 minutes you can absorb the core concepts of bestselling, must-read books on leadership, management, career development, human resources, personal finance, small business management, and more. This subscription, a $99 value, is available to Members for no additional cost.

ASTD Mobile
Exclusive Member Benefit
Read while you are on the move! Get mobile with an audio (MP3) library of articles, news items, and more recorded from ASTD and a number of other respected industry sources. Download and listen at your convenience.

HR White Papers
Exclusive Member Benefit
Keep up on information on topics outside of the training area such as employee relations, HR management, and selection and recruitment. Provided through a partnership with the Society for Human Resource Management.

Hot Topics
Exclusive Member Benefit
Keep up with what's hot in the training industry. These reading lists offer suggestions to current literature. A great resource to help you with any research project.

Member Directory
Exclusive Member Benefit
Contact your ASTD member colleagues using the online Member Directory, a tool for networking and research. Search by name, company, title, and location.

ASTD Career Center
Exclusive Access to Many Career Resources
One of the most popular areas on the ASTD Website, the ASTD Career Center houses our first-class job bank and excellent career development resources, job hunting tips, access to career coaches and resume experts. Many of the resources in this important area are available only to ASTD Members.

Human Resource Development Quarterly
Exclusive Member Benefit
HRDQ, the first scholarly journal directly on the evolving field of human resource development, is available to ASTD members at a significantly reduced subscription rate.

Discounts on ASTD Products and Services
Exclusive Member Benefit
Members can purchase ASTD-published books, *Infolines*, and software at significant discounts. Members register for any and all ASTD conferences, workshops, and certificate programs at special Member-only rates.

Personal Benefits
Exclusive Member Benefit
Members can take advantage of our ever-growing selection of benefits designed to save you time and money both personally and professionally.

- GEICO auto insurance discounts
- Capital for Knowledge education loan program
- Discounts on SmartDraw business process management software
- Free trial and discounted subscription to *Gallup Business Journal*
- Special rates and discounts for listing on CourseBrowser.com
- ASTD’s Platinum Plus® Visa® Credit Card through MBNA
- Save on travel through Expedia.com and support ASTD programs
- Convience for you with FedEX/Kinko's online printing service.

Members can tailor their ASTD membership to meet their professional goals by adding one or more of the **Membership Plus** segments to their ASTD Classic Membership. Each **Membership Plus** category offers a package of discounted benefits designed to meet the specific needs of the professional interest areas in the training and workplace performance industry. This chart below is taken from ASTD's website.

ASTD Books Plus US$79 per year **(save US$50 or more)**	Receive four ASTD-published books throughout the year. This is an excellent way to build your training and performance library of high quality, practical resources on topics that are relevant to your success. *(Delivers in February, April, July, and November)*
ASTD Infoline Plus US$79 per year **(save US$50 off the nonmember subscription price)**	Expand your expertise fast with *Infoline*. Each single-topic, monthly issue will get you up to speed on a critical issue in 45 minutes or less, and is packed with job aids, worksheets, case studies, and step-by-step instructions. *(Delivers 12/year)*
Training Professionals Plus US$130 per year **(save US$145)**	▸ *Infoline* Subscription (12/year) ▸ ASTD-published books (2/year) ▸ *The Annual Training and Performance Sourcebook* (1/year) ▸ **Learn more**
Organization Development/Leadership Professionals Plus US$200 per year **(save US$150)**	▸ *The Annual OD and Team Sourcebook* ▸ *OD/Leadership Network News* (10/year) ▸ **Learn more**
E-Learning Professionals Plus $175 per year **(save US$95)**	▸ *E-Learning Network News*(10/year) ▸ E-Learning Book ▸ **Learn more**
Consulting Professionals Plus US$75 per year **(save US$75)**	▸ C2M—*Consulting to Management* (4/year) ▸ Consulting/Training Book

	▸ **Learn more**
ROI Network US$75 per year **(save US$75)**	▸ *ROI Network News* (4/year) ▸ Access to ROI Online Bibliography and Evaluation Case Study Database ▸ ASTD-published Book (1/year) ▸ Discounts on conferences and workshops

Appendix D
Sample Membership Categories and Packages for Trade Associations

1. <u>U.S. CHAMBER OF COMMERCE</u> – (http://www.uschamber.com)

Whether you own a business, represent one, lead a corporate office, or manage an association, the Chamber of Commerce of the United States of America® provides you with a voice of experience and influence in Washington, D.C., and around the globe.

Our staff of experts—policy specialists, lobbyists, and lawyers—make up the world's largest not-for-profit business federation, representing 3,000,000 businesses, 2,800 state and local chambers, 830 business associations, and 102 American Chambers of Commerce abroad.

Our members include businesses of all sizes and sectors—from large Fortune 500 companies to home-based, one-person operations. In fact, 96% of our membership encompasses businesses with fewer than 100 employees.

<u>U.S. Chamber of Commerce has Two Membership Categories</u>

1. <u>Full Membership</u> dues are based on the number of employees. Here's the following breakdown:

Self-employed: US$365

1 to 10 employees: US$500

11 to 25 employees: US$750

26-50 employees: US$1,000

Over 50 employees: US$1,500

Beyond this level, dues are increased by US$100 per five employees.

2. <u>Electronic membership</u>: US$125

This chart below is taken from the U.S. Chamber of Commerce's website:

Which Membership is Right For You?

Please refer to the chart below to compare membership-level benefits.

Membership Level Entitlement	Full	E-Membership
Member access to Web site	Y	Y
uschamber.com Weekly e-mail newsletter	Y	Y
Discounts on business products and services	Y	Y
8" x 11" member certificate	Y	**N**
uschamber.com monthly print publication	Y	**N**
VoteForBusiness Grassroots Team	Y	Y
U.S. Chamber of Commerce membership card	Y	**N**
Member sticker for storefront	Y	**N**
Member Websticker for your Web site	Y	**N**

U.S. Chamber of Commerce's Member Benefits/Package:

Small Business Benefits of Membership

Advocacy

As a business owner, your time is valuable. You want someone in Washington to listen to you, work for you. That's where we come in.

- Improve affordable access to quality health care for small business owners and their employees.
- Provide a level playing field for small businesses to hire, train, and retain qualified employees.
- Promote a tax policy that allows small businesses the opportunity to reinvest more money in the growth of their businesses.
- Fight burdensome federal regulations and paperwork requirements that weigh disproportionately against small business—60% more than for larger businesses. We help you keep track of regulations that affect you.
- Cap punitive damage awards, to stop plaintiffs from shopping for friendly juries, and to ensure even handed judges are elected to the bench. One lawsuit, frivolous or not, can put a small business out of business.
- Encourage the efficient use of limited resources the government has dedicated to small businesses in their effort to reduce regulatory barriers, provide capital, and spur economic development.
- Expand and strengthen our infrastructure. Failure to do so can have

devastating effects on a small business' ability to survive. They're called "essential" public goods for a reason: Your business can't thrive and prosper without them.

Discounts

From shipping to office supplies, the Chamber and its partners have the tools to save your business money and the solutions to help you run it more efficiently. Chamber members who take advantage of these discounts can save up to $900.00 annually:

- Members receive preferred pricing, free Online Reporting Service, and 25% discount on equipment rentals with Citi Merchant Services.
- Save up to 20% on FedEx shipping.
- Save an extra 5% on Office Depot's everyday low prices – which can add up to a savings of 76% off Manufacturer's List Price.
- The CHAMBERplan®: A 401(k) plan for your small- to medium-sized business.
- Members get discounts off admission to thought-provoking seminars, events, and innovative programs in Washington and across the country.

Services

The Chamber provides its members with enhanced services, such as business and personal insurance products.

- AIG insurance protection you can rely on.
- Chamber Insurance Agency Services' exclusive resources allow us to turn around quotes quickly and efficiently, providing independent agents with a powerful competitive edge in today's fast-paced market.
- Ask the Chamber—Exclusive members-only access to our FAQs. Questions asked and answered here.

News & Information

Our members stay on top by reading our exclusive content. Access to the latest news and information is vital to your business' success.

- uschamber.com/sb—Our Web site designed specifically to meet the ever-changing needs of small business owners. Updated continually, uschamber.com/sb offers up a wealth of members-only content to keep you focused, connected, and actively learning about everything small business.

- Our monthly publication, uschamber.com, keeps you up-to-date on the latest issues.
- Ask the Chamber—Exclusive members-only access to our FAQs. Questions asked and answered here.
- Grassroots Action Information Network (GAIN) e-mails you updates on key legislation that affects your business.
- Free up your time to manage your business. uschamber.com Weekly gets you inside Washington with the latest small business news delivered to your inbox.

Community

There's strength in numbers. The Chamber fosters a sense of community among its members. Let your customers and employees know you're doing the best for your business—and for them.

- Show your membership pride and support for small business—put a U.S. Chamber Websticker on your Web site.
- Pride goes along way. Odds are, you have a real storefront (in addition to your Internet one)—put a Chamber member sticker on your front door or window.
- All full members receive an 8" x 11" certificate of Chamber appreciation (suitable for framing).
- As a full member, you'll receive your very own Membership Card that displays your member number (needed to log in and access our members-only content), our Web address, our toll-free customer service number, and your membership expiration date.

2. INDUSTRIAL FABRICS ASSOCIATION INTERNATIONAL (www.ifai.com)

The Industrial Fabrics Association International (IFAI) is a not-for-profit trade association whose more than 2,000 member companies represent the international specialty fabrics marketplace. Member companies range in size from one-person shops to multinational corporations; members' products span the entire spectrum of the specialty fabrics industry, from fiber and fabric suppliers to manufacturers of end products, equipment and hardware.

Joining IFAI is the best decision you can make for your business. Participating in IFAI's many programs will save you time and money; give you multiple opportunities to gain recognition for you skills; offer multiple networking opportunities; and connect you to a solid base of customers and vendors who will help you gain the market advantage you deserve.

The Industrial Fabrics Association International has Four Membership Categories

1. End Product Manufacturer Membership
For firms that manufacture, sell or rent products made from specialty fabrics. Dues are calculated on a sliding scale based on company sales volume.

AA- Sales over $2 Million – US$890

A – Sales of $1 Million to $2 Million – US$800

B – Sales of $250,000 to $1 Million – US$580

C- Sales of $100,000 to $250,000 – US$360

D – Sales under $100,000 – US$240

2. Supplier Membership – US$890
For manufacturers, processors or distributors of fibers, yarns, treatments, fabrics, films, findings, equipment and other related products for specialty fabrics end-product manufacturing. Testing laboratories, consultants and sales and marketing companies also are included in this category.

3. Affiliate Membership – US$220
For zone organizations, other associations, publications, colleges & universities, specifiers and government agencies.

4. Sponsoring Membership – US$310
For divisions, subsidiaries, or wholly owned companies of Supplier or End Product Manufacturer members in good standing. Sponsoring members receive one free magazine subscription.

IFAI also offers the opportunity for members to belong to Divisions, Country Sectors Divisions and country sectors are groups of IFAI members that share similar interests and work on projects common to their markets or geographic areas. Activities include seminars, conferences, publications, building code work, standards development, product promotion and education. IFAI's divisions and country sectors represent a variety of fabricators and suppliers. To join a division or country sector, there is an additional fee ranging from US$100 to US$400.

IFAI’s Member Benefits/Package:

For IFAI’s End Product Manufacturer members

FREE answers and referrals from IFAI's Information Central Hotline

When IFAI members call the Information Central Hotline, they are connected to an experienced information specialist. Our technical staff answers thousands of questions about specialty fabrics sources of supply, technical data for products and services, standards and codes, and production information. IFAI member suppliers are at the top of the list when the Information Central staff makes a referral, resulting in qualified, viable member-to-member leads. Using hundreds of databases and a vast resource library unmatched by any other industry resource, the Information Central staff provides reliable, accurate answers, usually within 24 hours.

Discounted application fees for Professional Certification Programs

IFAI's Professional Certification programs offer industry professionals a chance to earn credentials for their knowledge and skills. Manufacturers and business leaders who deserve a competitive advantage, more recognition for their experience, and a marketing advantage with customers may apply to become Master Fabrics Craftsmen (MFC), Certified Craftsmen (CC), Industrial Fabrics Managers (IFM), or Certified Project Planners (CPP). As a member of IFAI, you will pay a reduced professional certification application fee. Click here for more information on IFAI's Professional Certification Program.

International Achievement Awards

The International Achievement Awards competition offers end-product manufacturers an opportunity to shine a spotlight on their successful projects. Companies receive global recognition for their new and innovative projects. IFAI members may submit up to six entries absolutely free, a savings of up to $900.

IFAI Bookstore Discounts

IFAI's Bookstore provides a comprehensive line of industry books, magazines, and directories. IFAI members receive special discounts on every item they order from IFAI's Bookstore. Check out the Bookstore Web site at http://www.bookstore.ifai.com/.

FREE subscription to one of IFAI's magazines

IFAI members receive a free subscription to one of IFAI's market-specific magazines, for as long as they maintain their membership. IFAI's magazines include the *Industrial Fabric Products Review*, *Fabric Architecture*, *InTents*, *Marine Fabricator* and *GFR*. Each of the magazines reports on the latest specialty fabrics news and explores issues that affect your business. Division membership also may earn you additional subscriptions. To find out more about IFAI's magazines, click on the magazine titles or click here to see descriptions of all the magazines.

Discounts on exhibiting at and attending IFAI's conferences

IFAI organizes multiple shows and conferences throughout the year, including the Western Technical Fabrics Exposition, IFAI Canada Expo, IFAI Tent Expo, Geosynthetics conferences, MFA National Convention, the Outlook Conference, and many others. IFAI's largest show, IFAI Expo, draws more than 8,000 participants and 500 exhibitors. As an IFAI member, you save a minimum of $250.00 on exhibiting and $50 on a full registration discount (per person). To find out more about IFAI Expo 2003, to be held in Las Vegas, Oct. 1-3, 2003, visit http://www.ifaiexpo.info/.

Web site development discounts through TechFabricPresence

A recent addition to IFAI's roster of discount services, IFAI members now may take advantage of TechFabricPresence, a Web site design service, at substantially discounted prices. Once set up, Web sites can be easily modified from your personal computer. Some features of the Web sites include photo gallery options, on-line file transfer, unlimited e-mail accounts, proofing features, and unlimited customer service. Visit http://www.techfabricpresence.com/for more information or to see a demonstration.

Credit card processing discounts

Through First National Merchant Solutions, IFAI members can save money each month on processing customer credit card transactions, monthly charges, and per-transaction costs. Members also receive unlimited customer support and discounts on equipment rental. Visit http://www.foomp.com/ for more information about this service.

Freight service discounts

Shipping costs can be a huge burden for you and your customers. IFAI has negotiated special member-only rates with Yellow Freight System for LTL freight, Airborne Express for overnight documents and Emery Worldwide for overnight package shipping. Visit www.membersales.com/ifai for more information on shipping service discounts.

Long distance phone service discounts

IFAI has partnered with American Business Communication Inc. to assist you in implementing and maintaining the best telecommunications services for your business. American Business Communication Inc. services include: discounted long distance services, calling cards, contract negotiation, conferencing services, bill auditing and account management. Call IFAI +(1) 651/222-2508 or 800/225-4324 for more information.

Opportunities to join one of IFAI's market-specific divisions.

For IFAI’s Supplier Members:

Advertising discounts on all 5 of IFAI's magazines

If you want to reach a targeted audience of qualified readers from the specialty fabrics industry, place your ad in one of IFAI's magazines. IFAI members who advertise not only receive excellent exposure in a prime venue, they also receive discounts on every ad they place in all of IFAI's five magazines.

Discounts on exhibiting at IFAI's conferences

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FREE market research services

Members have ready access to the market data we've compiled over the years, ideal for market reports and sales presentations. Don't just hire a consultant; our market research department is available to assist with select research requests.

Discounted application fees for Professional Certification Programs

IFAI's Professional Certification programs offer industry professionals a chance to earn credentials for their knowledge and skills. Manufacturers and business leaders who deserve a competitive advantage, more recognition for their experience, and a marketing advantage with customers may apply to become Master Fabrics Craftsmen (MFC), Certified Craftsmen (CC), Industrial Fabrics Managers (IFM), or Certified Project Planners (CPP). As a member of IFAI, you will pay a reduced professional certification application fee. Click here for more information on IFAI's Professional Certification Program.

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Long distance phone service discounts

IFAI has partnered with American Business Communication Inc. to assist you in implementing and maintaining the best telecommunications services for your business. American Business Communication Inc. services include discounted long distance services, calling cards, contract negotiation, conferencing services, bill auditing and account management. Call IFAI +(1) 651/222-2508 or 800/225-4324 for more information.

Appendix E
Sample Job Description of a Membership Director

Position: Membership Director

Reports to: Executive Director

General Description: Manage the membership programs, including production of the Membership Directory. Prepare and implement a membership development plan including recruitment and retention. Develop and implement methods of tracking membership statistics. Ensure the accuracy of the membership database. Develop and monitor departmental budget. Supervise any membership department staff. Establish annual department goals and objectives. Serve as staff liaison to the Membership Committee. Identify non-dues revenue sources. Represent the association at conferences and meetings. Assist the Executive Director as needed.

Critical Elements:

Manage the functions of the membership department. Develop membership marketing programs. Determine target markets for promotional activities. Recruit new members. Track monthly membership statistics. Develop and implement retention plan. Serve as a direct point of contact for members. Respond to member requests in a timely fashion.

Work closely with the Membership Committee. Make recommendations to the Membership Committee on needed changes to procedures. Prepare and distribute committee agendas and minutes. Participate in committee meetings.

Develop member surveys. Serve as a point of resolution for membership issues. Work with outside vendor to develop and produce the printed version of the membership directory.

Develop budgets for membership department including dues income, awards programs, and member services. Monitor the budget activity on a monthly basis. Review supporting documentation for all department expenses.

Supervise the membership department staff. Set goals and objectives for the department and individual staff members. Conduct periodic staff reviews. Serve as a mentor for staff.

Update and coordinate production of information materials sent to members, including new member kits, membership cards, and announcement of new member benefits.

Set retention goals and develop and implement strategies to attain those goals such as new membership orientation programs, members satisfaction surveys, new member newsletters, on-time renewal incentives.

Update and coordinate production and distribution of renewal notices and pre-renewal letters.

Participate in the Management Team. Attend team meetings. Assist the Executive Director as requested. Prepare a report on the status of membership recruitment and retention efforts to the Executive Director and Board as requested.

Required Knowledge, Skills and Abilities

The position requires:

- Knowledge of membership databases, membership marketing, developing and managing member services, strategic planning and budget process.
- Excellent management skills, oral and written communication skills, and customer service skills.
- Knowledge of Microsoft Word, Excel and PowerPoint.
- Ability to prioritize multiple projects, work in a fast paced environment, and meeting deadlines and budget projections.
- Ability to work with volunteer leaders and with committees.
- Ability to maintain good interpersonal relationships.

Employment Standards

Any combination of education, experience, and training equivalent to:

- Master's Degree
- Three to five years of experience in association membership development with at least two years of experience working with committees desired.

Appendix F
Sample Job Description of a Membership Committee Chairperson

Primary Duties: The Membership Committee Chairperson is the volunteer coordinator of all membership recruitment and retention activities.

Specific Responsibilities:
1. Establish the membership committee as a mechanism for accomplishing recruitment and retention activities within the organization.
2. Conduct at least three to four membership committee meetings per year.
3. Delegate recruitment and retention activities to committee members.
4. Motivate and follow-up with committee members.
5. Develop, in conjunction with Membership Director, an annual recruitment and retention plan.
6. Develop a timetable for implementing each phase of the plan.
7. Evaluate the results of recruitment and retention programs.
8. Notify the association office on a routine basis of all recruitment and retention activities and results.
9. Review monthly membership reports.

Internal Relationships: Required to have frequent contact with organizational officers, members, and membership committee members.

External Relationships: Should have frequent contact with prospective members and the Membership Department at association headquarters.

Position Qualifications:

1. Ability to develop innovative ideas for recruitment and retention activities.
2. Willing to take responsibility for membership growth.
3. Outgoing, personable and enthusiastic.
4. Strong organizational skills.
5. Sufficient time to devote to membership committee activities.
6. Knowledge and understanding of the organization, its members, its mission and its goals.

Appendix G
Sample Prospect to Member Marketing Plan from ASAE

Prospect contacts ASAE
Membership retention begins the moment a prospect requests information.
Membership Information (MI) requests come via website, email, staff, member services, volunteers.

Day 1	Member Information (MI) requests are sent to Member Relations (MR) coordinator.
Within 3 Days	MR will call Full Member (CEOs) and Association Member (AM) to qualify prospect for their specific needs. MR coordinator will enter prospect information in Membership Database. "Come Join Us" brochure and targeted letter (FM, AM, Supplier Member (SM), CEO from John) sent to prospect by the MR coordinator
1st week – Ten days	MR coordinator follows up by phone to review prospect packet.
	If Prospect has not joined ASAE:
***After one* Month**	If prospect's name was acquired from the Web site (acquisition code = WWW), MR coordinator sends a broadcast e-mail mentioning benefits and referring prospect to Web site to join If prospect is a supplier and has a specific acquisition code (11, order, staff, mgam, educ), MR coordinator sends a personalized letter and specially coded membership application (these prospects are considered "hot" prospects as they've recently purchased/requested something from ASAE)
***After two* Months**	Prospect receives another from call from staff or volunteers. Prospects will continue to receive information as a prospective member for 18 months.
Future Day	Prospect sends dues payment to ASAE; Member Services Center (MSC) processes payments within a 72-hour turnaround time (usually less than 48 hours)

Appendix H
Sample New Member Survey
(sent to new members after they have belonged six months)

Member #: ______________________________

Name: __________________________________

Title:__________________________________

Organization: ____________________________

Sector:_________________________________

Email Address: ___________________________

1. Are you receiving our newsletter? ___ Yes ___ No
2. Have you received your (name of organization) membership card? ____ Yes ____ No
3. Have you attended any (name of organization) education programs? _____ Yes ____ No
4. Are you familiar with our information resources? ____ Yes ____ No
5. Do you have any questions about your membership, your benefits or our organization? Please list here:
   ____
6. Any suggestions you would like to make so we can better meet your needs?
   ____
   ____
7. Are you pleased with your membership to this point? ____ Yes ____ No
8. How likely is it that you will continue your membership? _____ Likely _____ Not Likely
9. If “not likely, would you please explain your reason why?
   ____
   ____

Thank you for taking the time to fill out this form and faxing it to our offices at (provide fax number.)

Appendix I
New Member Experience (ASAE's Retention Plan)

Objective: Maintain a close relationship with members to ensure a positive first and second year membership experience, ultimately resulting in continued membership and involvement.

Join Date ____

After 1 week - Thank you for joining email which includes member ID and steps to getting started. Also includes request for sponsor if one hasn't already been indicated.

Membership Welcome Kit sent, including:

Association Executives
Welcome letter
Membership card
Benefits booklet
Journal order form
Circle Club info
Recruit-a-member info
Education calendar
Upcoming programs materials
GWSAE Network info (in DC)
Industry Partners
Welcome letter
Membership card
Benefits booklet
Recruit-a-member info
Free basic listing form
Industry partner merger info
Upcoming program materials
GWSAE Network info (in DC)

Within 1 month - Welcome calls to new members

The Volunteer Network will assist the Member relations team with these calls.

- Thank them for joining and make sure they got new member kit
- Gather any missing data (phone, fax, email)
- Encourage them to sign up for list serves and CenterOnline

Monthly - Offer New Member Orientation (NMO)

All new members (and prospects requesting information in the last 3 months) are invited to attend NMO at rotating locations including, ASAE, The Center, virtual programs (3-4 a year), and possibly Alexandria. Volunteers from the Volunteer Network will assist in planning and facilitating the orientation programs.

New Member Orientation Packet includes:
Agenda
Power Point Presentation
Key Resources Fact Sheet
Professional Interest Section Volunteer Opportunities
Subscribing to ASAE Listserves
5 Steps to Becoming a CenterOnline.org Registered User
Attendee roster
Buddy Involvement Plan

To be developed: Virtual NMO Packet/online resources

3 months - Check-up postcard (virtual)

- Reminding members of benefits (highlighting online resources)
- Quick 5 question survey
    - Have you attended New Member Orientation (NMO)?
        - Every NMO attendee will be prompted to answer a few questions to help us determine how to best meet members changing needs through the NMO.
    - Have you registered for ASAE Listserves and CenterOnline?
    - Have you been able to get questions answered via phone or email?
    - How are ASAE and The Center meeting your expectations?
    - How can we continue to meet your needs or enhance your experience?

6 months **Follow-up phone call**

First year members receive a call or email from staff or volunteer to see how they're doing and see if they have any questions. Remind members of upcoming programs and events targeted towards their interest/specialty

7 – 8 months **Retention Survey**

Members will receive a short email asking whether or not they plan to renew and what their reasons are, either way

9 months **First renewal invoice and targeted letter (thank you from CEO) mailed to member**

in 10th mo. **Second renewal invoice and targeted letter(value of their membership) mailed to member**

in 11th mo. **Email with active link to renew sent to non-renewers**
(fax to those without email or bad email addresses)

12 months **Cover of *Association Management* "This is your last issue!"**

12-13 mo. **Call from ComNet to non-renewers**

15 months **Second email to non-renewers with link to renewal form**

Call from ComNet to those who indicated in the previous call that they would renew

Renewal Date

1 week **Thank you for renewing email**
Includes some 'thank you/congratulations on the first year' gift of a coupon for education, publication, etc.

1 month **Survey on the first year experience**
Email survey asking 5 questions on the first year experience:

* What was the main factor in your decision to renew?
* How are ASAE and The Center meeting your expectations?
* How can we continue to meet your needs or enhance your experience?

Continue with monthly touches and implementation of ideas below

Ideas to be developed and implemented as part of the New Member Experience

Assigning a group name to the first and second year members and getting ribbons to identify those members

Monthly helpful hints/tips/reminders via email, postcards, website, etc. (New Member Newsletter)

Formal 'mentoring' program

Active recruit a member campaign as a part of the experience

All targeted messages for every touch based on job functions, section, interest, etc. focused on making everything personal

Annual Meeting Special Event and additional events throughout the year (New Member Luncheon at Annual Meeting)

Connect members with others in their geographical area, either in person or virtually

Beginning Your Association Journey (in conjunction with the GWSAE Network)

Some thank you for joining premium with a personalized note from CEO

Appendix J
Sample Renewal Letters
(90 Days Prior to Renewal)

Name of Association Logo Here

Save 25% by Renewing Early

It's probably just slipped your mind, but your (insert name of association) membership is set to expire in just a short while. We'd like to offer you the chance to save 25% on next year's dues by renewing right now.

<u>This offer will not be made again</u>**.**

All you have to do is choose your payment method, and fax this form back to us at (provide fax number).

You'll keep getting great benefits like:

Monthly-speaker luncheons
Our newsletter
Membership Directory

<u>Send in the renewal form – and save 25%</u>

Sincerely,

Name
Director of Membership

P.S. This is your last chance to save 25% on next year's dues.

YES, I"D LIKE TO SAVE 25% ON MY DUES!

___ Please keep my membership going for another year. My annual dues payment of _____ is below. I understand that my account will be credited with 25% of this amount.
Credit Card #: ____ Expiration Date: ____________

___ I want to extend my membership for another year, but I prefer that you bill me.

Appendix J
Sample Renewal Letter (45 Days Prior to Renewal)

Name of Association   Logo Here

<u>HAVE WE DONE SOMETHING WRONG?</u>

We sent you a reminder a few weeks ago, but we haven't heard from you yet. We're beginning to wonder if we made a mistake.

It would be terrible for your membership to expire because of a problem or an error we made on our end. If there's something we can do, please call right away so your membership doesn't become inactive!

THERE IS STILL TIME!

We truly don't want you to lose your great benefits. If we're not meeting your needs, please call me immediately at (provide number) so we can determine a way to accommodate you.

For every day you're not a member, you are missing speaker-luncheons, issues of the newsletter, or access to valuable market reports and studies --- don't let these valuable benefits lapse!

Regards,

Name
Director of Membership

P.S. We value your membership. Please respond today!

WAIT! DON'T STOP MY MEMBERSHIP!

___ Please keep my membership active. My annual dues payment of _____ is below.

Credit card #: ___________________________________Expiration Date: _______

___ I want to extend my membership for another year, but I prefer that you bill me.

Please fax this form back to (provide fax number). Thank you.

Appendix J
Sample Renewal Letter (One Week Prior to Renewal)

Name of Association Logo Here

<u>YOUR MEMBERSHIP HAS RUN OUT</u>

We have sent you two reminders that your membership was about to expire, but perhaps you didn't receive them. Or maybe you've just forgotten.

Unless we hear from you within the next 30 days, we'll have to put your membership on "inactive" status, which I'm sure you don't want us to do.

If there's some kind of problem with your membership, please contact me right away at (provide phone number or email address) so we can discuss it. If you're not sure about your renewal, call us and we'll answer all of your questions.

It would be a shame for you to miss any more speaker-luncheons, issues of our newsletter or other valuable benefits such as the Membership Directory. So, just choose your payment method below, and fax back this form to us at (provide fax number).

<u>Send in the Renewal Form Right Now!</u>

Sincerely,

Name
Executive Director

P.S. Don't wait another day – send us your renewal instructions immediately!

<u>REINSTATE MY MEMBERSHIP IMMEDIATELY!</u>

___ Please get my membership going again. My annual dues payment of _____ is attached.
Credit Card #: ______________________________ Expiration Date: ______________
___ I want to extend my membership for another year, but I prefer that you bill me.

Thank you!

Appendix J
Sample Renewal Letter (30 Days after Due Date)

Name of Association Logo

This is an urgent message regarding your membership in (name of association). Please fax this form back in order to prevent cancellation of your membership.

We have not received your dues payment. Unless you act at once, your membership must be cancelled for non-payment on December 31. Our association bylaws require that delinquent members be dropped.

You will lose all benefits, rights and privileges of membership unless you fax back this form. Your subscription to our newsletter, invitations to monthly speaker luncheons, and access to special market reports and studies will expire along with your association membership.

Our profession/industry is changing. (Name of association) is your voice – voice of your profession, in communicating with the public and our government. (Name of association) addresses important issues – practices, reform. (Name of association) is leader in the field of education, sponsors national forums and programs, all for the benefits of individual members/companies and improvement of our profession/industry.

Please fax this form back to (insert fax number) with your credit card number, expiration date, and signature. We will have no alternative but to drop you for non-payment of unless received by (insert a deadline date). Reply today.

Name:____
Credit Card Number: _______________________ Expiration Date: ___________

Thank you! We look forward to serving you for another year!

Appendix J
Sample Reinstatement Letter (After 4-6 Months)

Name of Association Logo

<u>We Wondered How You Were Doing</u>

It's been (four to six) months since your (name of association) membership expired. Here is what you have been missing:

- Monthly speaker-luncheons
- Your newsletter
- Your Membership Directory
- Access to special market reports and studies

We're adding new benefits all the time! I'd like to offer you another opportunity to take advantage of all the wonderful rewards of an (name of association) membership. All you have to do is choose your payment method below, and fax back this form today.

WE WANT YOU BACK!

Sincerely,

Name
Executive Director

P.S. We have really missed you and want to make it easy for you to come back. Just return the form below and we'll get your membership reinstated.

I WANT TO BE A MEMBER AGAIN!

____ Please reactivate my (name of association) membership. My annual dues payment of _____ is enclosed.

Credit card #: ___________________________________Expiration Date: ________________

___ I want to extend my membership for another year, but I prefer that you bill me.

Thank you for renewing your membership! We look forward having you as a member again.

Appendix K
Sample Exit Survey

Name: ____
Title/Organization: ____________________________________
Email Address: ____

1. Please tell us why your terminated your membership:
___ Unable to actively participate
___ Change in position/business
___ Moved
___ Active in another association
___ Your programs didn't provide any value to my career or business
___ Can't afford the membership dues

2. Overall, I felt the association's services were:

____ Excellent ____ Good ____ Fair ____ Poor

3. The monthly newsletter is:

___ Of much use ____ Of some use ____ Of little use _____ Of no use

4. Did you ever request information from us? _____ Yes ____ No

5. Did you receive a prompt response? _____ Yes ____ No

6. Did you receive a satisfactory response? _____ Yes ____ No

7. Do you believe the association does what it should for its members? ____ Yes ____ No

8. If not, how do you think the association could do a better job?
____

____

9. Do you think you will consider reinstating your membership at some point? ____ Yes ____ No

10. May we contact you in six month and reassess your situation? ____ Yes ____ No

Thank you for taking the time to fill out this form and faxing it back to our offices at (provide fax number)

Appendix L
Sample Member Needs Assessment Survey

The leaders of ASTD are asking for your input to this survey. This survey is being sent to all ASTD members in __________ country/region. We want to learn more about your interests and expertise, and develop educational programs designed to meet your professional needs. Please take a few moments to answer these questions and fax back to ________________ or mail to _______________________. **We would appreciate receiving your survey no later than** ___________. Thank you in advance for helping us plan effective programs and services.

---

1. How long have you been a member of ASTD? (check one)

___ Less than 1 year
____ 1-2 years
____ 2-5 years
____ 5-10 years
____ 10-20 years
____ Over 20 years

2. Which three categories below best describe where you spend 75% of your professional time? (check three responses)

____ Training – general
____ Management development
____ Technical training
____ Career development
____ Organization development
____ Instructional technology
____ Sales/marketing training
____ Customer service training
____ Other

3. What type of organization do you work for? (check one)

____ Corporation
____ Government
____ Academic institution
____ Supplier of training products and/or services
____ Self-employed
____ Nonprofit
____ Other

4. Which of the following three topics are important enough to you that you would be interested in attending a professional development program? (Check three responses.)

____ Intranet training
____ Organizational development
____ Return on Investment
____ Needs assessment
____ Computer Based Training
____ Team training
____ Evaluation
____ Diversity
____ Internet training
____ Facilitation skills
____ Presentations skills
____ Performance development

Other: ______________________________________

5. In addition to professional development programs, what other services from ASTD would you value? (check all that apply)

____ Printed newsletter
____ Electronic newsletter
____ Special interest groups
____ Membership directory

____ Electronic networking groups (e-groups)
____ Volunteer, leadership opportunities
____ Other
____ Special events
____ Train the trainer opportunities

6. How do you think you could benefit most from participating in ASTD? (check one response)

____ Networking with colleagues
____ Getting new ideas
____ Meeting potential vendors
____ Professional development
____ Listening to experts
____ Meeting potential customers

Other: ____

7. How can ASTD best meet your needs? ____

____

8. Other comments: ____

____

Name: ____

Title: ____

Organization: ____

Sector: ____

Address: ____

____

Telephone: ______________________________ **Fax**:______________________________
(country code) (city code) (phone number) (country code) (city code) (phone number)

Email Address: ____

Organizational Website: ____

____ Check here if you would like to get involved with ASTD activities, such as serving on a committee, recruiting members, contributing to communication pieces.

____ Check here if you have colleagues that would be interested in receiving information about ASTD membership and the professional development programs.

Appendix L
Another Sample Letter and Needs Assessment Survey

Dear:

The Oncology Nursing Society (ONS) is exploring ways to better meet the professional needs of its international members worldwide. To help us serve you more effectively, we would appreciate your taking some time to complete this survey. There are questions that ask how long you have been in the oncology nursing profession, the ONS benefits you value the most, whether you have ever participated in ONS' Annual Congress and opportunities for becoming more involved with ONS.

This survey is in English. However, if you should need clarification on any of the questions, if a translation into your first language would help you to better respond, or you would like to discuss any other aspect of this questionnaire, please feel free to contact ______________________.

We value your input, and would appreciate your sending your completed questionnaire back to *(name of person) by (date).* Thank you very much for your help.

Sincerely,

Name
Executive Director

Questions for ONS' International Member Survey

1. How many years have you been a member of ONS? (check one)

   Less than 1 year
   One year
   2-3 years
   4-6 years
   7-10 years

2. How many years have you been in the field of nursing? (check one)

   Less than 1 year
   1-5 years
   6-10 years
   11-15 years
   16-20 years

3. What is your primary position? (check one)

Academic Educator
Clinical Nurse Specialist
Clinical Trials Nurse
Consultant
Director/Assistant Director/VP
Nurse Manager/Coordinator
Nurse Practitioner
Staff Nurse
Other

4. How valuable do you consider each of the following benefits to your continued membership in ONS? If you are not aware of these benefits, please mark "Not Aware."

	Very Valuable	Valuable	Somewhat Valuable	Not Valuable at All	Not Aware
1. ONS Books					
2. Clinical Journal of Oncology Nursing					
3. Congress					
4. Educational Monographs and Kits					
5. Institutes of Learning					
6. Leadership Education					
7. Oncology Nursing Forum					
8. ONS News					
9. ONS Website					
10. Professional Networking					
11. Reduced Costs Products and Services					
12. Research Conference					
13. Special Interest Group Membership					
14. Volunteer Leadership Opportunities					
15. Research Consultation					
16. Evidence Based Practice Projects					

5. Would you say that the value of your ONS membership: Exceeds/Is equal to/Is less than/ the cost of your annual dues?

6. Have you ever attended an ONS Annual Congress?

   Yes No

   If yes, what aspects of the Annual Congress did you value the most?

Featured Speakers
Educational sessions
Visiting the commercial exhibits
Visiting the ONS Store
Attending ONS Annual Business Meeting
Pre-conference programming/courses
Networking with peers
Social and reception events
Earning contact hours for CE credits

If yes, did you feel comfortable participating in the educational sessions? Yes No
If no, how could you have been made more comfortable? Please explain: ___________________________________

Other suggestions: ____

7. If you have not attended an ONS Annual Congress before, what would encourage you to attend one?

___ Being part of a delegation from my country
___ Participating in educational sessions held in my native language
___ More specialized education topics (please list: ________
___ More internationally-oriented topics (please identify: _______
___ Holding the Congress in a location closer to my country
___ Applying for a scholarship to attend the Congress

8. What is the most important issue facing oncology care nurse within your country? (check one)

___ Cost of cancer care
___ Workforce issues
___ Maintaining current knowledge
___ Ensuring those who provide care is competent
___ Need for evidence-based guidelines and practice standards
___ Supporting informed consumer choices
___ Other: _________________________

9. What are your top two preferred learning mediums for continuing education?

Live Events (Provider Directed)

___ National Conferences
___ Regional Conferences
___ Teleconferences
___ Web casts

Enduring Material (LearnerDirected)

___ CD ROMs
___ Monographs
___ Articles
___ Books
___ Videos
___ Online Courses

Other Learning Mediums

___ Dinner conferences
___ Journals

___ Local ONS meetings

10. Are you familiar with the concept of ‘virtual community’ – a group of professionals (oncology nurses, for example) that share common interests for exchanging information and interacting virtually through the Internet?   Yes   No

    If yes, would you be interested in participating in an ONS virtual community? Yes No

11. ONS is launching an In-Touch Program that matches ONS members in countries around the world with ONS members in the U.S. who share similar professional interests. This Program provides the opportunity for members to exchange ideas, share information, and build relationships in a personal one-on-one setting through email, letters, telephone, and virtual communities. Are you interested in participating in ONS’ In-Touch Program?   Yes   No

12. How can ONS better meet your professional needs? _______________ (open-ended question)

Thank you for taking the time to complete this survey. We value your input, and your responses will help ONS to better meet the needs of its international members.

Appendix M
Article on Pricing – from ASAE's Resources

You Are What You Charge For

By Ann Oliveri

Executive IdeaLink, October 2001

B. Joseph Pine II and James H. Gilmore wrote a book called *The Experience Economy* (Harvard Business School Press, 1999), in which their thesis is that all products and retail stores are commodities, and consumers are becoming more demanding about how they spend their time. Why go to a mall when you can shop online and get next-day delivery at lower prices?

Pine and Gilmore then show how shopping is being transformed into experiences that entertain, educate, and engage--authentic experiences that surprise and delight. Ultimately, venues will charge customers for the experience, much like a Renaissance fair or museum theme park. The authors assert, You are what you charge for.

How does this apply to associations? Aren't members more demanding about how and when they engage? Are complaints about price really complaints about value? If you are what you charge for, why aren't membership dues your primary source of revenue?

Turn those questions inside out. What if you looked at your association as an enterprise, a business marketing a product--what would your product be? Publications' Educational seminars' Standards' Business networking? Does any one of these really sum up all that you are? Try another tack. How about this: Your members are your product. If your members are your product, you are *selling* them to a marketplace of their customers, regulators, gatekeepers, and investors.

- By being a member, your product is differentiated from nonmembers because membership requires adherence to a code of ethics or environmental standard?product specifications.
- Professional development becomes product enhancement, not a profit center. Certification also differentiates your products.
- Meetings and trade shows trigger new product applications, creating new markets or new ways to use your products.
- Chapters or components are distributors, moving your inventory closer to customers, adding value in *dealer prep.*
- Public relations and branding reside in the executive suite to ensure investment in the strategic positioning of members to reinforce *buyer* preferences and market leadership.
- Publications and information services are used to upgrade products, creating new releases of products.

You get the idea. Turn your thinking about products, pricing, placement, and promotion on its head to escape from your own assumptions.

Another assumption to abandon is that shopping and pricing are strictly rational. Twenty years ago, associations unbundled services and shifted to a la carte pricing for publications and seminars. If your association's product is now the member, maybe dues represent more than the sum of the parts.

More importantly, you are transforming your members across time through professional development and activities. Pine and Gilmore call it *guided transformation* and see it as creating the ultimate economic value.

Products have become services, but services are becoming easy-to-consume, do-it-yourself products. For example, management consultants, tax accountants, and lawyers are branching out to offer low-cost subscription services, the equivalent of frequently asked questions, on the Internet. Why pay $300 an hour to ask a simple question? If your members are the high-priced premium product, why not give away *consumer information* or do-it-yourself content as a service? Why not offer a dirt cheap e-membership to those who want access to information but who are not willing to commit to your higher standards, as well as a high-priced membership for those willing to invest in market dominance?

The pricing paradox is that money is irrational, and pricing is only one dimension. If you can change the competitive framework and reframe the proposition, pricing shifts radically.

Consider the following propositions:

- Everyone knows that videotapes cost less than $20, but positioned as *distance learning,* they would be a value at $200.
- A magazine subscription at $25 seems right, but wouldn't monthly access to valuable research be worth $250 a year?
- Seminars cost $150, but a semester-long course is easily worth $1,500. So wouldn't a semester? worth of value delivered in three or four days be worth even more?

Southwest Airlines decided to compete with car travel, not other airlines, when establishing its services and price structure. Who is your competition?

Don't compete on price. You are what your charge for. Change the rules of play.

Ann Oliveri, CAE, senior vice president of strategic development, ULI--The Urban Land Institute, Washington, D.C., USA, and is past chair of ASAE's Marketing Section. Copyright 2001. Ann Oliveri, CAE.

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April 19, 2005

Advancing Your Success

«FullName»
«Title»
«CompanyName»
«AddressLine1»
«AddressLine2»
«City», «State» «ZipCode»
«Country»

Dear «Salutation»,

Thank you for your interest in joining the American Society of Association Executives (ASAE) and The Center for Association Leadership—the voice and choice for association professionals.

As an association executive, we know your time is at a premium and you need information quickly and succinctly. Rely on ASAE and The Center for Association Leadership to provide the resources you need to strengthen your knowledge and know-how.

ASAE serves as the principal membership organization and provides access to all your membership benefits including:

- 13 professional-interest sections, e-newsletters, and listservers
- ASSOCIATION MANAGEMENT magazine
- Market and industry research
- Members only section on ASAE's Web site (www.asaenet.org)
- Certified Association Executive (CAE) program
- Career Headquarters for online job bank and career development resources (www.careerhq.org)
- ASAE Services, Inc. (member benefit programs)
- *Who's Who in Association Management Membership Directory and Buyers' Guide*
- Valuable member discounts on education programs, events, and publications

The Center for Association Leadership is the primary learning, knowledge, and research source for ASAE members. The Center provides you with:

- Professional development programs and events
- Thousands of relevant and easily accessible resources through www.centeronline.org
- Future-focused and strategic research (formerly provided by the ASAE Foundation)

The ASAE Building
1575 I Street, NW
Washington, DC
20005-1103

202-626-ASAE (2723)
fax 202-371-8825
www.asaenet.org

- Knowledge resources (formerly provided through Information & CEO Central)
- Learning communities
- Identifying and showcasing new ideas, thought leaders and knowledge resources (Great Ideas Conference, Visionary Projects, Ten Cool Ideas)

The Center, in conjunction with ASAE, provides educational offerings with depth and without boundaries. The scope of these programs will help you and your staff at all levels in the association profession. The goal is simple—to create learning experiences that make a real difference in your life, your work, and your organization.

Questions? Call 202-626-2727 or e-mail mbrdev@asaenet.org.

Join ASAE today! Simply complete and return the enclosed membership application. Or, join online at www.asaenet.org.

Best regards,

Carylann

Carylann Pishner
Director, Member Relations

Enclosures

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April 19, 2005

Advancing Your Success

«FullName»
«Title»
«CompanyName»
«AddressLine1»
«AddressLine2»
«City», «State» «ZipCode»
«Country»

Dear «Salutation»,

Thank you for your interest in joining the American Society of Association Executives (ASAE) and The Center for Association Leadership—your gateway to reaching more than 23,000 association decision makers and industry partners.

ASAE serves as the principal membership organization and provides access to all your membership benefits. **The Center for Association Leadership** is your primary source for learning, knowledge, and research relevant to association management and leadership.

How does this benefit you—an Industry Partner? By creating an exciting and interactive environment where association executives and industry partners can share ideas, learning experiences, and networking opportunities.

You will build relationships and increase sales by actively learning about and participating in our association community. You are encouraged to attend education programs, participate in the professional-interest sections and listservers, and exhibit at our tradeshows.

One of your member benefits is a **FREE** basic listing in the *Who's Who in Association Management* membership directory and buyers' guide. To receive your **FREE** basic listing, please review the list of keywords on the back of this letter and **select the one** that best describes the services or products your company provides to associations. Please write the keyword on the top of the enclosed membership application. (See attached list of keywords.)

Questions? Call 202-626-2727 or e-mail mbrdev@asaenet.org.

Join ASAE today! Simply complete and return the enclosed membership application. Or, join online at www.asaenet.org.

Best regards,

C. Arylann

Carylann Pishner
Director, Member Relations

Enclosures

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April 19, 2005

Advancing Your Success

«FullName»
«TitleFull»
«CompanyFull»
«AddressLine1»
«AddressLine2»
«City», «State» «ZipCode»

Dear «Salutation»,

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In this partnership, **ASAE** serves as the principal membership organization and provides access to all your membership benefits including:

- 13 professional-interest sections, e-newsletters, and listservers
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- Certified Association Executive (CAE) programs
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- Future-focused and strategic research (formerly provided by the ASAE Foundation)
- Learning communities
- Identifying and showcasing new ideas, thought leaders and knowledge resources (Great Ideas Conference, Visionary Projects, Ten Cool Ideas)

How do you get started as a new member? Simply visit www.asaenet.org, find "Membership" in the menu on the left and choose "Welcome New Members". This area of the Web site, especially for you, is the perfect jumping off point as you begin to get involved.

An ASAE staff member or volunteer will be calling you in the next few weeks to make sure you have everything you need. If you have any questions at this time, please contact me at 202-626-2729 or email me: cpishner@asaenet.org. Again, many thanks for joining ASAE. We look forward to helping you overcome any challenges that come your way in the years ahead.

Sincerely,

Caylann

Carylann Pishner
Director, Member Relations

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20005-1103

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Sample New Member Letter to Suppliers/Industry Partners

asae | american society of association executives

April 19, 2005

Advancing Your Success

«FullName»
«TitleFull»
«CompanyFull»
«AddressLine1»
«AddressLine2»
«City», «State» «ZipCode»
«Country»

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How does this benefit you—an Industry Partner member? By creating an exciting and interactive environment where association executives and industry partners can share ideas, learning experiences, and networking opportunities.

You will build relationships and increase sales by actively learning about and participating in our association community. You are encouraged to attend education programs, participate in the professional-interest sections and listservers, and exhibit at our tradeshows. If you want to reach the largest market of association executives in the world, please participate in the GWSAE Network. Visit www.gwsaenetwork.org for more information and the upcoming calendar of events.

How do you get started as a new member? Simply visit www.asaenet.org, find "Membership" in the menu on the left and choose "Welcome New Members". This area of the Web site, especially for you, is the perfect jumping off point as you begin to get involved.

An ASAE staff member or volunteer will be calling you in the next few weeks to make sure you have everything you need If you have any questions in the meantime, please contact me at 202-626-2729 or email me your concern at cpishner@asaenet.org.

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Sincerely,

Carylann

Carylann Pishner
Director, Member Relations

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Washington, DC
20005-1103

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fax 202-371-8825
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Letter to all New Members (Association Executive and Supplier) about ASAE's Professional Interest Sections and Listservers

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Advancing Your Success

Dear «Salutation»,

As a new ASAE member, we want to be sure that you are taking advantage of all your member benefits—especially the **Professional-Interest Sections and listservers**. These are your best opportunities to network with and learn from other association professionals and industry partners.

Once you select your section(s), you will receive quarterly e-newsletters filled with valuable information in addition to gaining access to online archived e-newsletters. For a description of the professional-interest sections, go to www.asaenet.org and click on Membership, Membership Categories. For a description of the section e-newsletters, click on Publications, E-Newsletters.

Professional-Interest Sections:

X Association Management Company
X Communication
___ Professional Development
___ Finance and Business Operations
___ Government Relations
___ International
X Marketing
___ Legal
___ Membership
___ Executive Management
___ Component Relations
___ Technology
X Meetings and Expositions

NOTE: If no sections are checked above, please call 1-888-950-2723 and sign up for the sections you wish to receive targeted information. Be sure to give us your e-mail address so you can receive the section e-newsletter.

Professional-Interest Section Listservers
Subscribe to the section listservers where you can post questions and participate in online discussions regarding a variety of association management issues. This is a great way to network and learn from your peers. Visit www.asaenet.org and click on Networking Opportunities.

Maximize your ASAE experience! Join the sections and subscribe to the listservers! Questions? Call 1-888-950-2723 today. Thank you again for joining ASAE!

For U.S. citizens only: ASAE dues are not deductible as a charitable contribution for U.S. federal income tax purposes, but may be deductible as a business expense. ASAE estimates that 14.85% of your dues are not deductible because of ASAE's lobbying activities on behalf of its members.

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Washington, DC
20005-1103

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fax 202-371-8825
www.asaenet.org

This is your ASAE Membership Card. Please use your member ID# («PersonID») to register on ASAE's Web site and access the member only section, order publications, register for education programs, and more!

Your card also entitles you to discounts on car rentals (see back of card). Please visit www.asaenet.org and click on ASAE Services, Inc. to explore additional member benefit programs.

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Member Card

«FullName»

Member ID#«PersonID»

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asae@asaenet.org

Leading the Association

Striking the Right Balance Between Staff and Volunteers

James J. Dunlop

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and made possible by a grant
from Loews Anatole Hotel

Chapter 3

Developmental Stages and Their Implications for Leadership Mode

Associations pass through fairly predictable stages in their development.[9] Chapter 1 presents a general pattern of the development and evolution of associations. This chapter explores in greater detail the five developmental stages—embryonic, growth, staff operation, maturity, and aging—and how each stage shapes the relationships between volunteers and staff.* The rate of change from one stage to the next is determined, depending on the type of association, by the growth of the association's industry or profession or by the intensity and duration of public concern about the cause and the ability of the association to raise donated funds.

Developmental Stages of Associations

Stage 1: Embryonic

Associations are formed by people who share a common interest in a profession, line of business, or concern and who are able to identify others with the same interests. In many cases, individuals are not aware of others who share their interest or concern until the association's founders articulate it and make it known.[10]

*This chapter draws upon the work of Arthur D. Little, Inc., Cambridge, Massachusetts, in describing the maturational stages of industries.

In 1981, for example, Mothers Against Drunk Driving (MADD) was formed by Candy Lightner, the mother of a 13-year-old girl who was killed in Fair Oaks, California, by a repeat-offender drunk driver. Lightner and a group of concerned citizens formed MADD to force effective and workable solutions to the drunk-driver problem and to assist the surviving victims of drinking and driving accidents. Before the organization was formed, many thousands of parents who were anguished by the loss of a child to a drunk-driving incident had no rallying point or sense of common identity. While concern about drunk driving was widespread, people felt it was largely a matter for the police and other law enforcement agencies. Then Candy Lightner decided to organize, and MADD was born. In just five years, MADD grew to be a nationwide organization with more than half a million supporters and members in 375 chapters and affiliates, including in Canada, New Zealand, and Great Britain.

Understanding the start-up or embryonic stage of an association is difficult without at the same time understanding the context of the industry, profession, or cause. Associations start because an industry, professional grouping, or cause is recognized, and people tied to the group or cause need to band together to communicate and to take action as a body that they cannot do alone. There is often a perceived legislative or regulatory threat or a problem evolving from an older, competing industry or profession, or other source.

The National Community Television Association, which ultimately became the National Cable Television Association, was formed, in part, to combat the threat of regulation by the Federal Communications Commission (FCC). Cable system operators, fearing what broadcasters and the FCC could do to their infant industry, banded together to form their own association to build some political muscle.

In most cases, one cannot easily identify the beginnings of an industry or profession because they are so often embedded in a related, older industry or profession. An industry in its embryonic stage may be distinct only to a few participants who discern a commonality or uniqueness that sets the nascent industry apart from its predecessor. For example, the advent of radio created the conditions for the electronics industry to differentiate from the electrical industry.

In a new or embryonic industry, while the growth rate may be accelerating, a meaningful rate cannot be calculated because the economic base is too small. As the number of competitors in an embryonic industry increases, making for the critical mass needed to form an association, these competitors can declare themselves to be an identifiable industry or a separate subset of a larger, older industry whose association is probably not paying sufficient attention to them. The market shares held by the principal competitors in the new industry are quite volatile and share is difficult to measure. Entry to the market is easy. There may be multiple competing technologies.

Similarly, a new profession may grow out of an older, more established one. Civil engineers, for example, broke from military engineers by turning their skills to civilian projects in peacetime, such as town walls and bridges. The fields of engineering and medicine have been particularly prolific as evidenced by the many societies representing various specialties. Alternatively, an allied or supportive function of a profession may form the basis for an independent association. The National Association of Emergency Medical Technicians, for example, was formed in 1975, just a few years after the EMT certificate was recognized in several states. Very often, an academic underpinning spurs individuals to identify readily with the emerging profession.

At the earliest stages, entry into the new profession is relatively easy, and formal education or certification requirements may be minimal. One's professional identity may be integrally tied to the organization where the person functions, rather than to the profession. This has been the case in many areas of management, such as personnel, public relations, benefits administration, and risk management. The new profession has little subspecialization and there are no recognized ancillaries. Indeed, the emerging profession may itself be ancillary to another older profession. The body of knowledge is small and fragmented, and much of what exists draws on other disciplines. The people involved feel the need to learn techniques from one another and have a strong desire to communicate the merits and usefulness of the emerging profession. There is usually considerable confusion and often some conflict about whether the new field merits the name of a discipline or profession, and members of the older profession may attempt to regulate or legislate it out of existence. This threat may be one of the principal reasons for forming a new association in the first place.

A new philanthropic association is often started by one individual or family who finds no organized effort to deal with a problem. In recent years, for example, associations have formed that deal with head injuries, Alzheimer's disease, myasthenia gravis, and a host of other disabling or life-threatening conditions. In the social welfare arena, dozens of national organizations with concerns ranging from the environment to illiteracy have formed in the space of just a few years. The founder may discover other individuals with the same concern through acquaintances, lists, advertisements, and publicity.

Whether an industry group, a professional society, or a cause-related alliance, the embryonic stages of most associations are similar. The founder communicates with others, money is tendered for memberships or as contributions, the group incorporates, and meetings are held to organize and establish ground rules. In the initial stages, the founders, all of whom are volunteers, handle organizing, communicating, conducting meetings, collecting money, and other basic functions. The association is volunteer-driven. The volunteers set the direction and do the work. They also usually devote major amounts of their time, energy, concern, and money to the new organization.

Particularly in the initial stages, there are frequent, major conflicts and uncertainties over the exact mission and role of the new organization and the strategies to pursue. There may be concerns about the erratic or irregular pace of development, the apparent overdependence on one or a few individuals, and the recurring feeling that it is just not worth the effort. Despite these concerns, the new organization moves ahead if the original organizers or their immediate successors are sufficiently committed and if enough new members or supporters can be found.

Stage 2: Growth

At some point, the founders or their successors realize that the basic tasks of communicating, organizing meetings, and administering a growing membership or donor base are becoming too much for them to handle. A paid secretary is needed, full- or part-time. In some cases, the volunteers hire a person to handle some of the work. In other cases, they retain a multiple association management firm. In the case of a philanthropic association, in particular, the founder may become the first paid staff member.

Hiring a paid staff person represents a significant change in leadership mode. A trade or professional association is still likely to be volunteer-driven in that the volunteer leaders take the initiatives, make basic decisions, and continue to handle much of the day-to-day work. Even so, the presence of a paid staff person begins the growth stage.

A good deal of uncertainty and experimentation characterize this stage. The volunteers are rarely clear about the kind of help they need, so the person or committee that does the hiring may not be explicit about the nature of the staff jobs to be done. Moreover, the people available to staff the struggling, underfunded, new association may not have the experience that enables them to ask crucial questions about the roles they are to assume and their accountability in those roles. Mutual dissatisfaction and high turnover often result.

Trade and professional associations in this stage are usually responding to growth in the industry or profession. For a trade association, the industry is expanding faster than the gross national product (GNP), a widely accepted standard. Product lines are undergoing rapid proliferation. The number of competitors is increasing, often resulting in a shakeout and consolidation down the road. Market entry is usually easy, and the presence of competitors is offset by vigorous growth.

In a professional society, the number of practitioners in the profession generally grows more rapidly than overall employment. Entry into the profession is still relatively easy, but pressure is beginning for certification and formal education requirements. Some subspecialization may be apparent, but basic identity remains with the principal profession. The members of the principal profession may exhibit hostility to the attempts of ancillary workers, such as technicians, to develop their own identity. The body of knowledge is growing, and there is likely to be a regular journal serving the field.

In a philanthropic association, there is recognition that the concern is significant. In the case of a philanthropic health association, a medical specialty may relate to the organization. Rheumatology, for example, is closely identified with the Arthritis Foundation. A social welfare association may experience significant growth in its membership and contributed income. People identify with the association in growing numbers and contribute money and time to further the cause.

As the industry, profession, or field of concern grows, the size and work of the association will increase also. To handle the increased work, more staff members are needed.

Increased specialization stems from staff growth. Administrative functions such as office management, bookkeeping, and answering telephones, and programmatic and member-oriented functions such as meetings, education, publications, and government affairs need to be staffed. At first, the staff are primarily concerned with facilitating the work of the volunteers who operate the functional aspects of the association—conducting and managing the education program or writing and publishing the newsletter and then the magazine. At some point, however, volunteer leaders realize that commitments are not being met, that the workload is too much for them to handle, and that performance is a concern. These conditions form the basis for staff operation, the next stage in the association's development.

Stage 3: Staff Operation

At this point in the life of a trade association or professional society, the volunteer leaders are convinced that staff need to do more of the work because of its sheer volume. They begin to turn over to staff some of the volunteer-run aspects of the organization so that programs formerly initiated by volunteers can continue even though their original proponents are gone. Many volunteers discover that they are sufficiently absorbed by their regular full-time jobs that they cannot give to the association the time required to continue programs and activities.

In a philanthropic association, the shift to staff operation of all activities but fund-raising occurs as rapidly as funds permit.

Even in fund-raising, a traditionally volunteer-run domain, staff members will take over management of special events, mail or telephone solicitations, membership campaigns, and large donor solicitation, although this last area usually depends on volunteers to do the actual peer solicitation.

During this stage, the industry or profession of an association continues to grow, and growth may be vigorous. However, subsets of the industry or profession may be forming and clamoring for recognition. The association may then face the problem of splinter groups threatening to break off and form new associations. In this event, associations' responses vary, ranging from trying to provide more services to accommodate the splinter groups to attempts to rein them in. These efforts place additional burdens on the staff.

In this third stage, the basic relationships between the staff and volunteer leaders take shape, and the fundamental culture of the organization solidifies. In volunteer-driven organizations, the volunteers retain essential control through the officers, board, and committees. Volunteers retain authority to initiate and approve new activities and usually resist efforts by staff to assume more control. Volunteer control and direction are maintained through a strong board and committee structure, an apparatus allowing the volunteers to formulate policy, tight control over the budget, and retention of a chief staff executive (CSE) who functions comfortably with the volunteers in charge.

In staff-driven associations, the staff take control in this third stage of development. Staff members propose policy decisions for approval by the board, initiate the development of new programs, draw on the advice of volunteer committees while retaining the final say over what will be done, and develop expertise in the industry or profession which may exceed that of the volunteers.

Staff operation encourages volunteers to look to the staff for direction. In some cases, the volunteers actually wind up working for the staff, particularly within the committee structure. Information shared with the board is controlled. The CSE is normally in close communication with the chief elected officer, perhaps daily, based on the chief elected officer's desire to be kept informed, but the communication is controlled on a need-to-know basis. While volunteer leaders continue to approve the annual budget, sign off on new activities, and receive reports from staff and volunteer committees, the staff has assumed basic control. A staff-driven culture predominates, at least until the volunteers rebel or there is a major crisis in the organization.

Many sources provide the impetus for the association to become basically staff- or volunteer-driven. Some of them develop in stage 2. In addition, a trade association often tends to become staff-driven because the representatives of the member companies or organizations are not personally committed to the association and lack the time to run it. Even when they are committed, management representatives who are used to delegating in their own organizations are quite comfortable delegating management of the association to paid staff.

Two important variants are trade associations composed of individual members (such as the National Association of Realtors) and those of companies run by their owners (such as the National Office Products Association). These trade associations tend to be more volunteer-driven than trade associations of organizational members, because the volunteer leaders may not be accustomed to delegating and may identify closely with the association.

Other important determinants of leadership mode include how the roles of the board and the CSE were initially set up and their evolution, the nature of problems that troubled the association in its early years and whether the volunteers stepped in to rescue the group, whether the CSE is from the profession or industry, and a host of other factors explored in detail in chapters 4 and 5. Finally, much depends on who the CSE is at this stage. If the incumbent is popular, effective, and wants to take control, the association is more likely to become staff-driven than if the CSE is uncertain, ineffective, unresponsive, or uncommunicative.

Once an association takes on a staff-driven or volunteer-driven character, the tendency is strong for it to remain that way. More than two-thirds of the trade and professional associations surveyed said that the history of volunteer or staff direction has remained fairly consistent over the long term. For philanthropic associations, the figure is 60 percent. Volunteer-driven trade and professional associations tend to be more stable in this respect than their staff-driven counterparts. In philanthropic associations, there is no difference in stability between staff- and volunteer-driven organizations.

Stage 4: Maturity

Associations take on a more or less permanent leadership mode as their industries, professions, or causes enter a mature stage, when growth is slowing down.

The growth rate of a mature industry is approximately equal to the GNP and is cyclical in nature. The industry's potential is reasonably well-known, and the primary markets may be approaching saturation. Companies are busy identifying and exploiting niches in the basic market and are exploring diversification, line extension, or gap-filling strategies. The number of competitors is generally stable or may even be declining slightly. Market shares have little volatility; firms with minor shares are unlikely to gain major shares. Entry into the industry is difficult either because of the large capital investment required or the extent of knowledge and experience needed to compete, or both. In the case of a service industry, most new competitors come out of older firms. Consolidations and failures act to keep the number of competitors relatively stable.

In a mature profession, the growth rate is equal to or somewhat slower than growth in U.S. employment. Entry is difficult because of certification, licensure, and educational requirements. The self-image of the professionals is now sufficiently independent of the organizations that employ them that professionals shift organizations with ease. Depending on the nature of the profession and the support systems required, a significant number of professionals may function independently, for example, accountants, consultants, and marketers.

Professional subspecialization is significant at this stage, and, in some cases, the subspecialist group is larger and wields more clout than the original professional group. Ancillary people are now tolerated and may function under the direction of the professionals, although many ancillary people exert considerable effort to become more professional themselves. Indeed, ancillary, pre- or paraprofessional people may well be actively forming and establishing their own groups. The body of knowledge underpinning the profession is well developed and growing at

the margins. Several journals serving the field may exist, and the professional association may publish more than one of them. Fee structures are well-known.

In the field of concern to the philanthropic association, most people who identify closely with the organization are known or have been reached through mailings and other promotional materials. Growth at the margins is offset by losses of older supporters. The potential for contributions has largely been attained, although the base could be enlarged significantly in the event of a major breakthrough or catastrophe or if the association discovers a more powerful marketing approach.

As the industry, profession, or concern matures, the association also continues its evolution by diversifying, developing new sources of income, adding new staff specialists, and generally spreading out. The thrust toward more and more staff operation continues, although in volunteer-driven associations, the basic initiatives and direction remain in the volunteers' hands.

As the staff take over more operational roles and people with specialized technical skills are added, some tension may develop around the question of who really is running the association and the degree to which the association should stray from its roots. Volunteers may sense a loss of control through yielding to more technically skilled staff in areas such as communications, meetings, publications, and government affairs. The officers and others among the volunteer leadership may complain about not being informed about all that is going on in the association.

The resulting tension is frequently expressed in the relationship between the chief elected officer and the CSE. Conflict between the two can take many forms and be worked out in numerous ways. The chief elected officer can assert authority, causing the CSE to back off. The CSE can conduct a running contest with each new chief elected officer, in which the CSE assumes authority when chief elected officers are more passive and retreats when they are more active. The board can call for a redefinition of each role, demanding written descriptions. Titles can be adjusted so that one or the other is named chief executive officer in an attempt to clarify authority. The possibilities are nearly endless for playing out this tension.

The point is that the authority and scope of the staff and the volunteer leaders shift as a result of an increasing workload, increasing technical content of the association's work, and the need to make longer-term commitments. The shift to staff control, however, is never made completely. The volunteers almost always hold on to some of the operational aspects and continue to perform some work that, theoretically, staff could do. Accommodating any shift in the roles and relationships of the CSE and chief elected officer is always a difficult task and one fraught with the potential for conflict.

Conflicts arise when the dynamic balance between volunteer and staff functions is upset or lost. Volunteers and staff leaders recognize trouble by way of many routes, but the most common are realizations that the volunteer leaders are not informed of decisions by the CSE, surprises about the association's finances, complaints from the upper-level staffers about lack of direction, or a sense that the CSE is too autocratic or too passive. Whatever the reason, leadership questions such as, "Just who is running this place, anyhow?" or "Is anyone running this place?" can signal problems for the CSE. If the executive, officers, and board cannot handle these conflicts, the CSE may be expelled and the association, in some ways, fractured.

The struggle over influence between the staff and volunteers is often masked or played out in a nobler and less threatening context. Two possibilities that work because they have inherent validity and importance are to relocate the association's headquarters and to alter the mission statement.

Stage 5: Aging

As a rule, associations age with their industries or professions. Aging industries are those experiencing a negative long-term growth rate. Market saturation has been reached, and little or no potential remains. The number of industry participants decreases, innovation is minimal, and entry is difficult. Rail box car manufacturing and shipbuilding in the United States are examples of aging industries.

For professions, the aging stage comes when employment is declining, people have little incentive to enter the profession,

professional identity is blurred, the body of knowledge is static, and specialists and technicians have taken over many of the tasks that the profession once claimed as its own. Examples include leather chemists and general practitioners of medicine.

In a philanthropic association, a preventive to a chronic disease may have been discovered (although thousands afflicted with the problem may still be in need of services), or a social cause (such as saving whales) may have lost some of its energy because of legislation addressing the problem.

Aging for an association may come after a relatively brief existence or after many decades. Some associations have existed for well over 100 years and are still going strong. For example, the American Society of Civil Engineers was started in 1852, and the American Medical Association in 1847. Other associations have dissolved, been taken over, or suffered lingering deaths.

Many reasons exist for the aging and decline of an association. Some are associated with the aging and decline of the industry or profession. The Wool Hat Manufacturers Association, the American Association of Passenger Rate Men, the Cigarette Lighter Manufacturers Association, and the Religious Drygoods Association are defunct because their industries or professions are no longer viable.

Other associations, having been set up to solve a problem, lose their reason for existence when the problem is solved (although some turn to new problems and continue to function actively). Some associations started by a single individual whose energies kept it alive find no one left to continue the cause when the founder retires or dies. Still others begin as competitors to older and better established associations, perhaps by dissidents within the original parent organization. If the going gets rough, the members may give up the competition and return to the fold. Many associations merge with competing or complementary associations when the volunteer leaders of the two groups come to believe that the industry cannot support duplicate associations that serve much the same constituency and provide the same services.

An aging association may have a few active and very dedicated volunteers and a relatively entrenched staff, some of whom identify strongly with particular committee areas. Its staff have ceased to grow and, because of financial pressures, the association most likely has cut back on programs and services. Its orientation is one of maintaining, holding on, and, probably, denying its own decline. An astute leadership looks to transform the association by reorienting its focus and activities to parts of the industry or profession in earlier stages of the maturity cycle.

Variations on Maturation

Not all associations develop in synchrony with their environment, nor do all associations follow the same path. In some industries and professions, several associations may develop, each with its own subset of members. These associations may or may not eventually merge, depending on the view of the volunteers and on many other circumstances, such as the death or retirement of a CSE.

In the property-casualty insurance industry, for example, there are three large and viable trade associations: the American Insurance Association, representing many of the larger stock companies that sell through agents; the Alliance of American Insurers (Alliance), largely representing the mutual insurance companies, although more stock companies are joining; and the National Association of Independent Insurers (NAII), representing stock and mutual companies that refused to participate in the insurance rating bureaus which existed until the 1950s. Volunteer leaders of the three associations have attempted mergers over the years, but to date no merger has occurred because a significant number of member companies want to maintain separate organizations, even though operating three independent associations is probably more expensive than operating one consolidated group. Moreover, a significant number of large insurance companies decline to belong to any of the associations, a condition encouraged by the existence of three organizations. At this writing, a merger is again being considered, this time between the Alliance and NAII.

Some associations change their names, services, activities, and membership to keep pace with changes in the original

industry or profession. The North American Telephone Association, established in 1970 and representing the interconnect industry, became in 1984 the North American Telecommunications Association. The Catholic Hospital Association became the Catholic Health Association and increased the scope of its activities in recognition that organized health care was taking hold outside of the traditional hospital setting. The association wanted to encompass as much of Catholic health care as possible rather than see affiliated groups splinter off.

The point is that specific factors in associations' maturation processes may look very different, one association from another, although each process follows a general pattern keyed to the growth and development of a particular industry or profession. In the early stages, an association will be volunteer-driven because it has no staff members or very few. As the staff grow and the organization develops, a pattern emerges indicating the degree to which the association is staff- or volunteer-driven and how long that mode will endure.

Crisis

For many associations, a financial or other crisis can set the stage for a significant, although usually temporary, shift in leadership mode. Whether the crisis is the result of a budget shortfall, perceived lack of leadership by the CSE, failed expectations, significant membership defection, or other causes, the volunteers will often move to take more control. In the process, the CSE is usually put on the defensive. In most cases, the organization reverts to its basic style once the crisis subsides. The CSE, however, may not survive.

The stage for a crisis that threatens the balance of volunteer-staff leadership is usually set much earlier. While the crisis may take many forms and often has a significant financial component, the context that calls the CSE's authority into doubt has typically developed over several years. There may have been a series of unanticipated budget deficits or unusually high staff turnover. The volunteer leaders may feel that they are not being given information needed to oversee the activities of the association. A series of chief elected officers may feel that the CSE

MEMBERSHIP DEVELOPMENT PLANNING CHECKLIST

Membership development is the process your association uses to help members access programs, benefits, and services to achieve their personal and professional goals. Through a comprehensive planning process, your association is able to maximize strategies and tactics within the five stages of membership development (prospecting, recruiting, orienting, involving, and renewing) that will cultivate members throughout the member career cycle and ensure their satisfaction. Space is provided enabling you to add tasks relevant to your association's planning efforts.

For more information and support with your planning process, contact:

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Membership Development Planning Model

PHASE ONE
Preparation
Step 1: Establish a volunteer-staff leadership team.
Step 2: Assess your organization's potential for membership growth.
Step 3: Establish key messages.

PHASE TWO
Design
Step 4: Set numeric goals and programmatic objectives.
Step 5: Establish strategies and tactics.
Step 6: Maximize all options for membership.
Step 7: Develop a budget and a detailed work plan.

PHASE THREE
Implementation
Step 8: Gain organizational support.
Step 9: Communicate plan to members.
Step 10: Implement strategies and tactics.
Step 11: Monitor and report progress to key players.

PHASE FOUR
Evaluation
Step 12: Conduct periodic and year-end evaluations.

PHASE ONE

PREPARATION

Securing information

STEP 1

Establish a volunteer-staff leadership team.

- ☐ Review "committee charge" or committee job description.
- ☐ Identify skills and talents required of the team.
- ☐ Consider representatives at all levels.
- ☐ Determine meeting format and logistics.
- ☐ Establish key decisions required at each meeting to fulfill expectations.
- ☐ Solicit team participants.
- ☐ Prepare orientation kit (background materials) to share with team members.
- ☐ Plan and conduct orientation.
- ☐ Other:

STEP 2

Assess your organization's potential for membership growth.

Identify current and potential member profiles.

- ☐ Make list of organization's member types.
- ☐ Match current totals (or anticipated year-end totals) to member types.
- ☐ Identify potential member universe for each member type.
- ☐ Identify profile data elements of current and potential members for analysis.
- ☐ Prepare/analyze profile reports.
- ☐ Make assumptions regarding avenues for growth.
- ☐ Other:

Analyze important external information.

- ☐ Compile/analyze economic forecast for the coming year.
- ☐ Compile/analyze social/demographic trends.
- ☐ Compile/analyze political/legislative initiatives.
- ☐ Compile/analyze business/profession trends.
- ☐ Compile/analyze anticipated/current technological advancements.
- ☐ Review member services literature from major competitors.
- ☐ Gather membership marketing samples from other organizations.
- ☐ Make assumptions regarding current external environment.
- ☐ Other:

Analyze important internal information.

Membership Development Statistical History and Trends

- [ ] Compile/analyze membership comparative statistical trends (for example, number of new members, number of renewals, overall membership, geographic representation of members, and percentage of new members versus renewals).
- [ ] Review member satisfaction survey results (for example, exit surveys, focus groups, and interviews).
- [ ] Review organization's membership marketing materials and promotional packages.
- [ ] Review results of previous membership development campaigns.
- [ ] Conduct analysis of members' core needs (from analysis of member profiles, external information, and/or survey results).
- [ ] Review membership development promotional materials already in use.
- [ ] Review membership training materials and tools used by volunteers.
- [ ] Other:

Organization Programming Plans for the Coming Year

- [ ] Compile list of dates and focus of all-member mailings.
- [ ] Review editorial calendar and compile mail dates for publications.
- [ ] Compile calendar of association's major events, programs, and activities.
- [ ] Review new member benefits or services planned for implementation.
- [ ] Other:

Organization Short- and Long-Range Plans

- [ ] Review organization's strategic or annual plan, identifying priority placed on membership.
- [ ] Review available annual program plans of key departments (for example, education, legislative, meetings and expositions, and communications).
- [ ] Review stated goals or priorities of incoming leaders (if available).
- [ ] Other:

Leader Support and Awareness of Membership Issues

- ☐ Review leadership training tools, evaluating how the membership message is conveyed.
- ☐ Review leadership reports, measuring frequency and tone of membership message.
- ☐ Other:

Assess members' core needs against your organization's current member services package.

- ☐ Review list of organization's key member types (from your current and potential member profiles).
- ☐ Make list of organization's programs, benefits, and services
- ☐ Review member usage reports (if available).
- ☐ Evaluate set of core services (for example, programs and events, products and services, direct support) for each member type.
- ☐ Other:

Review your organization's vision, mission, goals, and values.

- ☐ Review organization's vision and mission statements.
- ☐ Make list describing the qualities and characteristics that best describe operations and programming (from reading association's literature and correspondence, and from verbal and nonverbal conversations).
- ☐ Make list of words describing organization's current philosophy on working with leaders and members.
- ☐ Develop list of general assumptions regarding organization's strengths and areas for growth.
- ☐ Develop list of changes that could have an impact on membership development, as well as resulting assumptions for each change.
- ☐ Other:

STEP 3

Establish key messages.

- ☐ Brainstorm key concepts current and prospective members should know or believe about your organization.
- ☐ Make list of key words.
- ☐ Draft statement(s) reflecting these beliefs.
- ☐ Review statements to determine whether they would influence members to move through the phases of the member career cycle.
- ☐ Other:

PHASE TWO

DESIGN

Transforming information into tangible actions

STEP 4

Set numeric goals and programmatic objectives.

- [ ] Review compiled statistics on member renewals, reinstatements, and new members.
- [ ] Make general assumptions about growth/decline potential.
- [ ] Set numeric goals (renewal/cancellation, reinstatement, new, total).
- [ ] Establish programmatic objectives for each stage of membership development.
- [ ] Develop performance measures to assist in evaluating results.
- [ ] Other:

STEP 5

Establish strategies and tactics.

- [ ] Review association's key programs, events, activities, mailings, editorial calendar, and any other relevant material.
- [ ] Brainstorm strategies and tactics for each stage in the membership development cycle: prospecting, recruiting, orienting, involving, and renewing.
- [ ] Sort out those strategies and tactics that reflect long-term efforts; identify options that could begin being implemented this year, with intent of increasing focus and attention in subsequent years.
- [ ] Other:

STEP 6

Maximize all options for membership.

- [ ] Sort strategies and tactics into independent and integrated actions.
- [ ] Sub-sort strategies and tactics into active and passive actions.
- [ ] Prioritize strategies most appropriate for implementation.
- [ ] Identify strategies requiring volunteer support.
- [ ] Establish (or identify current) appropriate recognition program(s) for volunteers and staff.
- [ ] Other:

STEP 7

Develop a budget and detailed work plan.

- [ ] Establish budget requirements for implementation; consider support from other departments and/or committees through integrated efforts.
- [ ] Develop detailed quarterly and monthly work plan with time line for implementation.
- [ ] Other:

PHASE THREE

IMPLEMENTATION

Activating the plan

STEP 8

Gain organizational support.

- ☐ Create executive summary for volunteer and staff leadership review.
- ☐ Meet with key players to review concepts and work plan, and to gain support.
- ☐ Incorporate new ideas and secure commitment.
- ☐ Solicit progress reports to support volunteer and staff leaders.
- ☐ Adjust budget to support revised plan.
- ☐ Review revised plan with volunteer and staff leaders.
- ☐ Other:

STEP 9

Communicate plan to members.

- ☐ Identify the parts of the plan most appropriate for sharing with members.
- ☐ Identify whether additional information should be shared with various segments of the membership (for example, frequent recruiters).
- ☐ Determine the best medium for sharing (flyer, brochure, article, or advertisement).
- ☐ Identify most appropriate format and tone for communicating information (refer to organization's values and your plan's key messages).
- ☐ Determine frequency of communicating with members.
- ☐ Solicit input from volunteer-staff leadership team.
- ☐ Draft, print, and distribute information.
- ☐ Other:

STEP 10

Implement strategies and tactics.

- ☐ Break monthly work plan into tasks to be accomplished each week.
- ☐ Meet as appropriate with key contacts from the volunteer-staff leadership team.
- ☐ Meet with staff contacts to explore opportunities to collaborate.
- ☐ Delegate tasks (as appropriate).
- ☐ Keep in contact with key players to ensure implementation is underway.
- ☐ Other:

STEP 11

Monitor and report progress to key players.

- ☐ Meet with key contacts from volunteer-staff leadership team.
- ☐ Review reports of monthly progress.
- ☐ Review membership statistical reports.
- ☐ Solicit input from volunteer and staff leaders on perceived value of strategies and tactics.
- ☐ Other:

PHASE FOUR

EVALUATION

Determining the value of the actions taken

STEP 12

Conduct periodic and year-end evaluations.

At Targeted Times

- ☐ Conduct periodic evaluations (measure progress against performance measures).
- ☐ Make adjustments as needed to achieve desired goals.
- ☐ Make notes of consideration for future planning.
- ☐ Other:

At the End of the Membership Year

- ☐ Compile periodic reports.
- ☐ Review final results against appropriate strategies.
- ☐ Establish process for conducting the evaluation (as agreed by the volunteer-staff leadership team).
- ☐ Establish value of each strategy, evaluating whether to continue, adjust, or eliminate.
- ☐ Draft final report to share with volunteer and staff leaders.
- ☐ Incorporate recommendations from evaluation into future membership development plan.
- ☐ Other:

Strategic Pricing Practices

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By Nancy R. Daly

Many association executives have experienced the feeling of unwanted risk when launching new products, programs, or services. In an attempt to make the fiscal budget at least break even, you and your staff at times may have felt compelled to plug in what seemed like arbitrary pricing for association products and services. While pricing is an analytical art that requires at least some element of intuition and risk, you can alleviate the risk by transforming pricing decisions into well-calculated opportunities that optimize the return on all of your association's activities.

The big picture on price

Ideally, program and product concepts are the result of thinking about what activities will achieve the goals of your association's strategic long-range plan, with a broad understanding of external threats and opportunities as well as internal capabilities and weaknesses. From your strategic long-range plan, product business plans are integrated into the appropriate fiscal-year operating plan and budget. Finally, a marketing plan is developed for new and existing products, programs, and services. This provides an opportunity to see conflicts in marketing priorities or fantastic cross-selling opportunities.

By looking at the bigger picture when thinking through your pricing strategies, you can assess the strategic fit of your products in conjunction with all other association activities. Everything ultimately should be integrated, including your pricing strategies.

Strategic pricing within a plan

This article focuses on the marketing component of your product business plan, and even more specifically, on pricing. Assuming that you have completed a business case for launching a new product, your market planning efforts have produced these results:

- articulated a concise, complete description of the product
- described why the customer needs the product
- identified the target audience and described how this audience was determined
- identified whether target customers are ready and aware that they need the product you are offering
- identified the best method to reach the target audience
- identified what is going on outside the association that could affect the new product's success
- identified market research needs for launching and promoting the product; identified the image you want the new product to project
- identified other organizations to align with for research, production, marketing, or customer service
- identified internal resource requirements
- and established the strategic fit within your long-range plan and mission.

These first steps are critical sources of input to the strategic pricing process. If, however, you want to take your pricing practices to the next level, you have six critical questions to answer before establishing your pricing strategy for any given association program or product.

Strategic pricing questions

1. What do you want your pricing strategy to accomplish?

You may find the answer to this question from within the association's strategic long-range plan, from your finance committee, from your organization's culture, or from your market research. Examples of pricing objectives include:

- Cover out-of-pocket costs only, with other program net profits or dues paying for staff time and overhead.
- Cover out-of-pocket costs plus a direct labor allocation, which pays for staff or resources directly employed for the product's launch and ongoing support.
- Cover out-of-pocket costs plus a direct labor and overhead allocation. Here, overhead includes a portion of rent, executive and clerical staff support, and all general and administrative expenses.
- Reduce demand for an existing product. For example, if you have a service that is labor intensive with only a narrow segment of membership using the service, your pricing objective may be to create a disincentive by increasing the price to justify providing the service.
- Maximize profit to raise dollars for other programs—also known as milking the cash cows. For example, in pricing exhibit booths for your trade show, your goal may be to maximize profit to support your association's research and advocacy efforts. Knowing that your show offers the largest audience of qualified buyers in the industry at one location at one time is a good indication that you can increase the price with confidence that the market will bear the price increase.
- Penetrate the market quickly. For example, if you are first in the market with a new book or seminar, you want to quickly establish a presence as the source for this knowledge in anticipation of larger revenue streams in the future. This potentially may mean losing money in the short term for the long-term gain of capturing market share and future profits.
- Capture projected demand by employing variable pricing techniques such as peak verses off-peak, early-bird special, quantity discounts, or bundling with other products. Your answer to this question will indicate if upward or downward pressure on the price is appropriate.
- Additionally, the relationship among programs and their pricing strategies must be considered in total when determining whether the price of a particular product should move upward or downward. For example, a seminar with a big-name speaker may be priced below your break-even point because you want to encourage high attendance. However, the cross-selling opportunities that the seminar provides in your bookstore and the positive image projected for your membership recruitment and public relations efforts have an intangible return that must be factored into the bottom-line impact from that seminar.

  One note of caution: When using this strategy, it is critical that leaders and staff are aware of the intent behind such a pricing decision and of its financial and strategic implications.

This first question of what your pricing strategy should do begs the question of who should recommend the pricing strategy to accomplish the agreed upon objective. The individual who conceived and developed the product idea should not solely recommend the price. He or she is too close to the product and may not view all implications objectively. For any product pricing decision, it's a good idea to get three perspectives: 1) the product owner or creator perspective; 2) the financial/bottom-line perspective; and 3) the marketing or objective customer/member perspective. While many association executives have excellent marketing minds and understand the audience and their ability to buy, the financial perspective is still necessary for understanding both the short- and long-term implications to your association's bottom line.

2. What is the demand for your product?

If your target audience isn't even aware that they need your product—such as with a compliance handbook for new regulations—downward pressure may need to be placed on pricing. Conversely, if you are the only provider of a valued service or product with the best-known quality and convenience and the fastest service, price up to where the value is: high. Demand will follow the product that meets the customer's needs—and with less sensitivity to price. If yours is a commodity product that is easily available elsewhere, however—such as an affinity credit card—competitive pricing or bundling with other services is appropriate.

When assessing demand, project volume levels with your documented assumptions. For example, are you assuming membership growth or decline? How many potential buyers are in the target audience who are decision makers with the authority to spend money? What level of marketing efforts are you anticipating? By answering these questions, you help substantiate your demand projections.

3. Who is the competition, what are they charging, and for which features?

The first part of this question is answered by determining who else is competing for the attention or dollars of your members. Your competitors are those entities that focus on the same target audience, not only those that offer a similar product. Relationship marketing is here to stay. If your competitors aren't offering your product now, they may quickly follow you to retain their relationship with the customer.

A common practice in competitive analysis is to shop your competition. How friendly and helpful are the people who answer the phone? How efficient is their book ordering process? What type of marketing do they do for educational programming? What prices do they charge?

When researching your competition, be aware of your product's positioning relative to how competitors position their products. Is your product better, cheaper, or faster, based on what is most important to your target audience? This positioning strategy will affect your pricing strategy. If, for instance, the competition provides a no-frills service and your offering is expansive, the pricing will—and should—be different. As a result, you will need to emphasize the benefits and unique features of your service.

Many for-profit corporations conduct pilot tests before launching a new product to test their pricing strategy. Associations can conduct fairly simple surveys or phone interviews with carefully scripted questions. Asking for members' desires and ability to buy at different pricing points can be effective for determining price ranges and initial perceived value. For example, ask your members, "Do you anticipate that this product (as briefly described) will provide sufficient value to you that you are willing to pay at least $100? $101–$200? $201–$300?"

4. What are your costs?

Hard, or tangible, costs can be directly seen or identified, such as printing or postage costs or temporary help. Direct labor can also be a tangible cost when your staff maintains time cards by project or you estimate direct labor by applying a percentage of compensation toward the new product launch and its ongoing support. Identifying tangible costs is important to create awareness of resource commitments and financial risk or opportunity. But don't let direct costs solely drive your pricing decisions. Your pricing goal and the perceived value delivered to the buyer are what should most directly drive these decisions. When developing financial projections for your product, document all assumptions with explanations, such as the reasoning behind sales projection numbers, out-of-pocket costs, the impact and timing of marketing campaigns, and the impact of external events such as the passage of key legislation.

Strategic product business plans usually include several financial analyses that use cost information. The value of these analyses is to understand your costs within a broader perspective and to help manage expectations for the performance of the product. Here are examples of several types of financial analyses.

Payback period: The amount of time required for revenue to pay back initial development and start-up costs. Will it take 3 months or 18 months? This information can also lead to a stop-loss decision. For instance, if after 18 months revenues still have not covered your initial start-up costs, a decision may be made to stop the loss and redirect marketing and staff resources elsewhere.

Pro forma forecast: What is the total revenue and total expense outlook for this product—at various price and sales volume levels—for the first two years of operation? Based on what assumptions?

Loss leader: If the pricing goal isn't to break even on your costs, quantify the net loss to understand the financial impact. Also, determine the longer-term benefits derived from this loss leader.

Contingency plan: Identify assumptions that may prove off target for reasons outside your direct control and develop a method for monitoring these assumptions. Identify your anticipated response if an assumption does not hold true—either for better or worse. Examples include if the cost for paper increased, more temporary labor was required, or higher speaker fees and expenses were incurred. Also determine whether the price can be adjusted late in the marketing process or whether you must commit to the price early.

5. What is the perceived value of the product?

The real art of strategic pricing is identifying the perceived value of your product in the eyes and pocketbooks of the target audience. For example, if you're delivering a qualified buying audience to your exhibitors—all in one location at one time—exhibitors stand to save substantially on travel costs and time since they're able to reduce their individual buyer development time by buying space at your show.

To estimate the value to exhibitors, start by applying a percentage of buyers attracted to an average booth. If, for example, 15 percent of the 2,000 show attendees have a need supplied by the average exhibitor, this equals 300 prospects to the exhibitor. If the exhibitor had planned to visit 20 percent of these qualified prospects (60 customers), the exhibitor is saving an average of three hours per customer (for preparation, scheduling, and on-site visits)—or the equivalent of 180 hours—not to mention possible airfare and lodging expenses. In this example, the value of your show is quite high, and you can price upward. However, if your trade show has a reputation for low traffic or non-qualified buyers, you may need to hold your exhibit booth prices down below the price of your competition so as to attract exhibitors.

6. Does your pricing strategy reflect the perceived value of the product while achieving your pricing goal?

Pricing for all products must be well-conceived to recoup sufficient returns to support the activities related to your mission. When the pricing strategy for a particular product fits within the organization's broader goals, you're in a good position to use net profits to achieve the mission by pricing up to where value dictates for each product that you offer.

However, if you find that the perceived value of a particular product is such that you cannot price the product to meet your pricing objective, then you need to make one of three choices: 1) Change the pricing objective and determine where to adjust the pricing of other association products to compensate; 2) don't offer the product and reallocate resources elsewhere; or 3) improve the product's benefits to increase the value and your net profits.

The importance of price

Obviously, pricing discussions shouldn't begin until after you have first evaluated whether you should even offer a particular product, based on its potential benefit to members and the association. Once it passes muster, though, you need to really think through what you're doing to strategically price the product for optimum return. While pricing may seem a small detail, it can actually drive the success or failure of a new product launch—so this is one detail that you definitely won't want to leave to chance.

Nancy R. Daly is president of Daly Strategic Directions. E-mail: Dailysmile@aol.com. Her book on launching new products is in progress.

Meet ASAE

The American Society of Association Executives (ASAE), known as the association for associations, is the advocate for the nonprofit sector. Founded in 1920 as the American Trade Association Executives, the society is dedicated to advancing the value of voluntary associations to society and supporting the professionalism of the individuals that lead them. In July 2004, an historic merger* brought together ASAE and The Center for Association Leadership. Within these merged organizations, ASAE is the principal membership organization servicing a market of 295,000 association professionals and business partnerships nationwide, including 75,000 just in the Washington, D.C. metro area. The Center is the primary learning and knowledge source for the association community. It provides education programs, future-focused research and learning communities and identifies and showcases new ideas, thought-leaders and knowledge relevant to association management and leadership.

ASAE and The Center for Association Leadership: Our Brand Promise

- The principal resource for ideas, models and learning that advance associations, association professionals, and association business partners.
- A vibrant, stimulating and welcoming community of professionals that inspires those who interact with us to become actively engaged.
- The recognized leader in advancing, promoting and supporting the value of voluntary organizations worldwide.
- The leading model of organizational excellence and execution within the association profession.

Types of Members

There are two types of ASAE members: association executives and business partners. All members join professional-interest sections that relate to their job responsibilities. Sections include:

- Association management company
- Component relations
- Communication
- Executive management
- Finance and administration
- Government relations
- International
- Legal
- Marketing
- Meetings and expositions
- Membership
- Professional development
- Technology

For more information

Contact ASAE by phone at 202-626-2723; by fax at 202-371-8315; by e- mail at service@asaenet.org, or visit www.asaenet.org for more information on programs and services available from ASAE. Contact The Center for Association Leadership at www.centeronline.org or 202-326-9550.

*On July 1st, 2004, GWSAE, ASAE, the ASAE Foundation, and The Center for Association Leadership merged to create these two interdependent entities.

ASAE MEMBER APPLICATION

1. SELECT YOUR MEMBERSHIP CATEGORY.

DG29a

- ☐ Association Chief Executive $275
- ☐ Association Professional Staff $245
- ● Associate (suppliers to the nonprofit industry) $375

2. SELECT YOUR PROFESSIONAL-INTEREST SECTIONS.

Check any professional-interest sections in which you'd like to participate—you must check at least one. See reverse side for section descriptions.

- ☐ Association Management Company
- ☐ Communication
- ☐ Component Relations
- ☐ Executive Management
- ☐ Finance & Administration
- ☐ Government Relations
- ☐ International
- ☐ Legal
- ☐ Marketing
- ☐ Meetings & Expositions
- ☐ Membership
- ☐ Professional Development
- ☐ Technology

3. TELL US MORE.

NAME | NICKNAME

TITLE | ☐ NONPROFIT ☐ PHILANTHROPIC ☐ FOR-PROFIT

ORGANIZATION

ADDRESS

CITY | STATE/PROVINCE | COUNTRY, ZIP/POSTAL CODE

TELEPHONE | FAX

E-MAIL (ASAE DOES NOT RENT E-MAIL ADDRESSES)

SPONSOR'S NAME/WHO INTRODUCED YOU TO ASAE? (OPTIONAL)

ASAE occasionally makes available its members' addresses (excluding telephone and e-mail) to vendors who provide products and services to the association community. If you prefer not to be included in these lists, please check this box. ☐

4. SUBMIT YOUR APPLICATION.

Payment in U.S. dollars.

☐ Check enclosed (payable to ASAE)

☐ Charge $ ______________ to my: ☐ American Express ☐ VISA ● MasterCard ☐ Discover

ACCOUNT NUMBER | EXPIRATION DATE

CARDHOLDER'S NAME

SIGNATURE | CREDIT CARD BILLING ADDRESS ZIP/POSTAL CODE

Membership is for one year from the date dues are received. ASSOCIATION MANAGEMENT magazine subscription price of one year ($24) is included in dues, and members may not deduct subscription price from dues. For U.S. citizens only: ASAE dues are not deductible as a charitable contribution for federal income tax purposes, but may be deductible as a business expense. ASAE estimates that 14.85% of your dues are not deductible because of ASAE's lobbying activities on behalf of its members.

Return to: American Society of Association Executives, c/o SunTrust Bank, P.O. Box 79263, Baltimore, MD 21279-0263; Telephone: 1-888-950-2723; Fax: 1-202-371-8315; www.asaenet.org

asae | american society of association executives

PROFESSIONAL-INTEREST SECTIONS

Exchanging ideas and information to enhance your career

ASAE's professional-interest sections provide in-depth knowledge and resources in specialty areas of association management. With each section you join, you'll receive idea-filled newsletters; invitations to attend targeted educational programs; and access to online discussion groups (listservers) where you can discuss problems and ideas with colleagues. In addition to custom-tailored benefits, you'll discover excellent opportunities to network with other association executives and industry partners who share your interests. Select any professional-interest sections in which you'd like to participate—you must check at least one.

ASSOCIATION MANAGEMENT COMPANY
Managing a for-profit association management company
For example: Acquiring a new association client, marketing your company, powering up your client relationships

COMMUNICATION
Writing, editing, publishing, advertising, and public relations
For example: Deciding which is better: printed versus e-mail newsletters, beginning an online book publishing operation, using the Internet to meet the media, boosting your Web site's content and quality

COMPONENT RELATIONS
Managing association sub-groups
For example: Conducting joint membership campaigns, sorting out legal and financial responsibilities, improving communications between the national organization and its components

EXECUTIVE MANAGEMENT
CEO/senior executive professional development, innovation, leadership, relationship building
For example: Organizational design and change leadership, partnering with volunteer leaders, leading staff to achieve strategic goals, managing organizations through effective scanning, planning, and ethical, competent practices

FINANCE & ADMINISTRATION
Finance, administration, and human resources
For example: Managing association investments, establishing crisis management and recovery plans, creating good staff morale and productivity even on a small budget

GOVERNMENT RELATIONS
Public affairs and government relations
For example: Getting results from federal agencies, new ideas for PAC fundraising, launching a state program on a shoestring budget

INTERNATIONAL
Global opportunities and activities
For example: Expanding membership abroad, conducting international meetings, globalizing operations, establishing international affiliates, working effectively across cultures

LEGAL
Legal issues impacting associations
For example: Limiting your liability, negotiating contracts in a post 9-11 environment, interpreting the IRS's enforcement of UBIT, understanding the legal aspects of standards and certification

MARKETING
Managing marketing activities
For example: A systematic approach to developing marketing strategies, exploring new trends in research, analysis and communication, pricing products for success, sure ways to promote cheaper and smarter, identifying the optimum product mix

MEETINGS & EXPOSITIONS
Launching and organizing conventions, meetings, and trade shows
For example: Using creative approaches and adopting technology to maximize efficiency and results in today's meeting environment, monitoring return on investment and identifying solutions through negotiation and customer relations, understanding contract language needed for greatest level of protection

MEMBERSHIP
Membership services and development
For example: Developing new techniques for recruitment and retention, delivering member services online, creating new sources of nondues revenue

PROFESSIONAL DEVELOPMENT
Designing and implementing education, certification, and professional development programs
For example: Evaluating your certification program, planning an effective board retreat, using seminars to cultivate high-dollar donors

TECHNOLOGY
Information technology
For example: Writing an RFP for a telephone system, launching e-commerce on your Web site, choosing the right system for a small association

DESK REFERENCE GUIDE
Membership Development

BEYOND MEMBERSHIP MARKETING

Developing an Innovative Plan That Guarantees Results

Patricia A. Siegel, CAE
James S. DeLizia, CAE

Center for Excellence in Association Leadership
San Francisco, California

CHAPTER 3

Planning Process for Membership Development

Success is where preparation and opportunity meet.

— BOBBY UNSER

IN THIS CHAPTER

The concept of planning is not new. Your shelves are probably filled with many excellent books that outline the steps necessary to plan a successful membership recruitment campaign or provide ideas for member renewal. As indicated in Chapter 2, a successful membership development effort must include tactics for all five stages of membership development (prospecting, recruiting, orienting, involving, and renewing). Your plan will also help you better manage your time and gain the support of others who are (or should be) involved in the membership effort. In essence, you are doing more than planning strategies and tactics within each membership stage to ensure the growth of your organization; you are also establishing a framework for members' personal and professional development.

Since planning is a process, it is fluid. You may find yourself working on some of the steps simultaneously or in a slightly different order than suggested in this chapter. That is expected. Use your own judgment on how your time is allocated to create a comprehensive membership development plan. Just be sure to pay attention to all five stages.

Don't let the word "comprehensive" become an obstacle. The plan you create should first include those efforts that currently exist within your association. Your decision to add new membership strategies should be determined as a result of your perceived needs, your organization's overall goals, and your available resources. Then look for membership stages where you need to give greater effort. You may opt to dedicate more time and money to one specific membership stage, like *involving*, enabling you to support anticipated organizational needs. While each stage does not necessarily need to have the same number of strategies and tactics, you should have something to ensure that members are cultivated and gain the greatest value from their membership experience throughout the entire member career cycle (prospect to new member, new member to active member, active member to renewing member).

POSSIBLE PLANNING PITFALLS

Anyone who has ever been involved in planning has encountered at the outset a number of barriers in transforming a list of ideas into a well-documented and detailed plan of work. Nonetheless, there is no substitute for a good plan. Some of the obstacles were described in Chapter 2, including the challenging tasks of getting the attention of your members and determining their expectations. Some other barriers you may encounter include the following:

- Resources that are too limited to accomplish the projected plan
- Other departments that are less than cooperative in their support of plan development and implementation
- Leadership that provides little direction, interest, or support
- A busy calendar of events that limits the availability of time necessary to work thoughtfully on a membership development plan

While these barriers may at times seem overwhelming, remember that they are common problems that have existed for others in many different organizations. These barriers can be overcome if they are anticipated and addressed during the plan's development process.

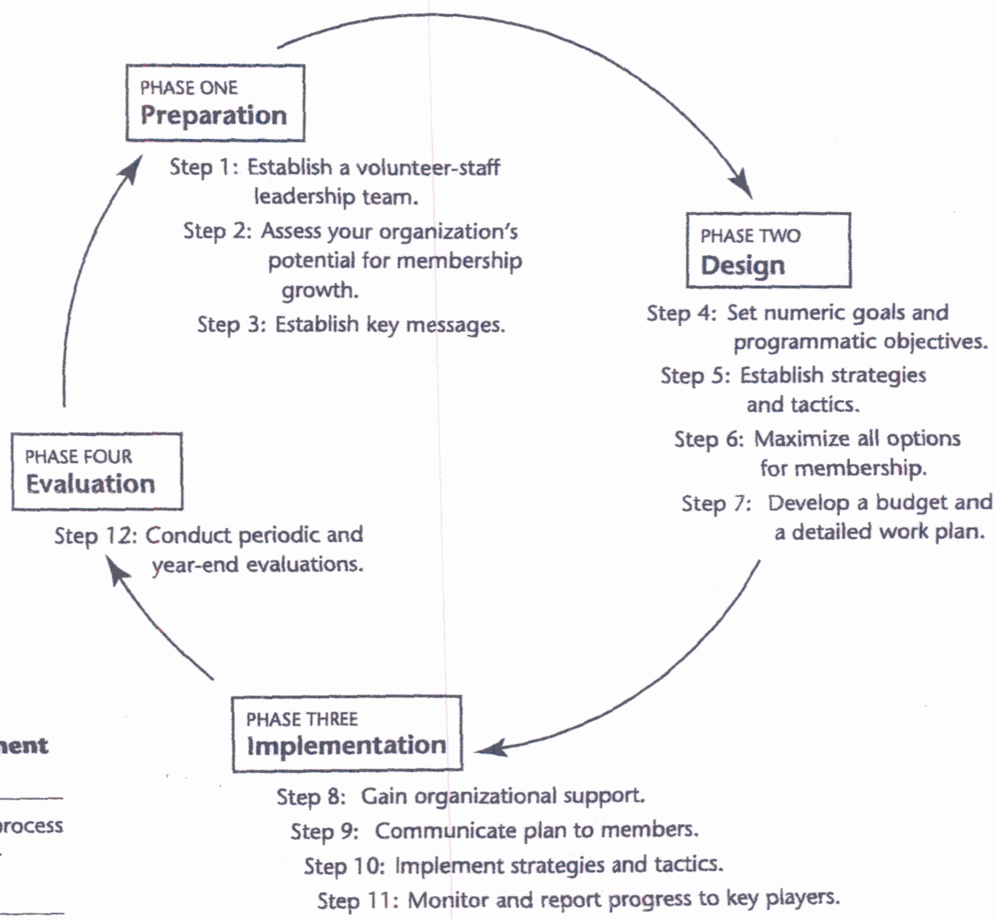


FIGURE 3-1

Membership Development Planning Cycle

The steps of the planning process cycle are grouped into four phases.

PLANNING FOR MEMBERSHIP DEVELOPMENT

The steps outlined in this chapter bear a striking resemblance to the components of any planning process: assessment, design, implementation, and evaluation. While the components may be similar, the membership development process will be unique in the information that is compiled and reviewed, the analysis that results, the manner in which strategies and tactics are developed and implemented, and the steps taken to evaluate results.

The membership development planning process can be broken into four distinct phases, each with related steps, as shown in Figure 3-1. As you read further, consider how much information you already have, but may not have previously analyzed or applied to an effort of this kind. And recognize that the results of the time you spend compiling and analyzing information will have multiple uses throughout the membership year for you, other leaders, and department heads. The time you dedicate to this project will be well spent.

PHASE ONE

PREPARATION

Steps in Preparation Phase

STEP 1: Establish a volunteer-staff leadership team.

STEP 2: Assess your organization's potential for membership growth.

STEP 3: Establish key messages.

Before launching into establishing a set of strategies and tactics for the coming year, consider taking these preliminary steps to gather together the valuable information and organizational support you will need.

STEP 1

Establish a volunteer-staff leadership team.

A volunteer-staff leadership team is essential when developing a plan of this kind. A good team is like a partnership, with each team member bringing a complementing skill to the effort. Whether functioning as a working committee or an advisory group, volunteers bring an important perspective about their profession, trade, or cause to the planning table. They can contribute in at least six ways:

- Identify trends that personally and professionally impact members
- Review key messages to confirm their relevance to the needs of members
- Suggest tone and context necessary to gain the attention of different targeted member segments
- Review draft copy of the membership development promotional materials to ensure their relevance to member needs and interests
- Review draft copy of tools designed for volunteers supporting the membership development effort
- Determine whether selected tactics are sufficiently compelling to influence member participation

To benefit from the skills and knowledge of your volunteers, you must provide them with the information, support, and structure to operate effectively. Because members are often unaware of membership development principles and practices, time should be dedicated to orienting those who are participating in the planning process. For additional considerations, see "Guidelines for Volunteer-Staff Teams" below.

Staff contribute expertise on program development, membership management, and organizational operations. Interested in strengthening their talents and skills, they routinely seek out information on association management issues from a variety of sources. They network with fellow professionals to exchange information about emerging trends and issues, and they seek out innovative strategies and tactics others have used to support membership development.

In forming a leadership team, other important considerations arise. Should official roles be assigned? How frequently should the team meet? What should be the requirements regarding reports to other leadership groups (for example, the board of directors, the membership committee, the finance committee, and senior staff)? Answers to these questions will depend on the complexity of your

GUIDELINES FOR VOLUNTEER-STAFF TEAMS

The following guidelines can be used
when working with your volunteer-staff leadership team.

While working as a volunteer-staff leadership team may appear to be time consuming and cumbersome, your efforts will be rewarded when you solicit support for the implementation of your plan.

If your team consists of members from an existing membership committee:

- Members are appointed by volunteer leadership and are generally representative of different member segments within your association.
- Job descriptions for volunteer positions are developed, and meeting times are generally set to coincide with key events.
- By virtue of its role, the leadership team has responsibility for planning, developing policy recommendations, general oversight, and ongoing evaluation of your association's membership development effort.
- Other professional staff may find it difficult to be involved due to work demands.
- Formal orientation session about the membership development process should be conducted annually for incoming committee members.

If your team is being developed as an ad hoc advisory group or task force for this purpose alone:

- Members who have been active in supporting the membership process should be invited to participate.
- Brief, well-defined, clear "charge" can be developed to provide parameters of responsibility.
- Meeting times are set to coincide with relevant phases of the planning process.
- Opportunity exists to engage other professional staff.
- Time is allocated and materials are developed to deliver a short primer on membership development for volunteers.

association's organizational structure, the scope of your membership development program, and your planning needs.

This is also a good time to consider other key players from whom you will need support (for example, senior officers, volunteers, and executive staff). Share concepts and progress with them at targeted points along the way, through updates at board meetings, committee meetings, and staff meetings. As the plan unfolds, you may expand your list of key players who need to be informed. Not everyone will be ready or willing to contribute as part of the working group, but their review of plan progress or pieces under development may be important. This group will play a greater role when you have the plan completed and ready for review. You do not want to create a long list of names, but it's wise to recognize the value of building a communication loop early in the planning process. Doing so sends the message that you are willing to be a team player who is more concerned with creating the best end product than with having total control of the process and its outcome.

STEP 2

Assess your organization's potential for membership growth.

A detailed membership profile can help your volunteer-staff leadership team make decisions based on your member and potential member needs, rather than on personal perspective or observation.

When you prepare to go on a long trip, you probably have a complete checklist of things to do that will make the trip a success. The same care should be given in preparing your plan. Sometimes membership is planned in a vacuum, especially when the focus is on the desired results. Designing a set of tactics for a membership campaign before assessing the actual potential for growth needs to be avoided. Internal or external factors can significantly influence your plan's success.

Consider the following tasks as you seek information about your organization's potential for membership growth:

- Identify current and potential member profiles.
- Analyze important external information.
- Analyze important internal information.
- Assess members' core needs against your association's current member services.
- Review your organization's vision, mission, goals, and values.

Identify current and potential member profiles.

If not immediately available, create a profile of your current membership. The more information you include in this profile, the better idea you will have of the characteristics of your current members. A detailed membership profile can help your volunteer-staff leadership team make decisions based on your member and potential member needs, rather than on personal perspective or observation. Consider developing your member profile using the following elements, bearing in mind that the collection of some of this information will require sensitivity on your part:

- Member type (as defined in bylaws)
- Industry sector/practice setting (primary and secondary)
- Tenure within the profession or industry
- Geographic location
- Membership tenure
- Gender
- Age
- Ethnicity

After creating your organization's current member profile, develop a second profile that reflects the potential universe. If sources for obtaining this information are unknown, talk with other staff within your organization who may have access to the appropriate contacts. For example, if members must be licensed or certified to practice in the profession or industry your association represents, talk to your education or technical director about possible ways to gather membership market information. Be sure to solicit information from members and volunteer leaders, too, about the type of person who may be interested in membership. At this stage of the planning process, you are interested in securing data, not names. Consider information relative to the labor force, the economy, and regulations of the profession or industry you serve. Good sources are government agencies, companies in the private sector, nonprofit organizations, and related membership-based associations. For an additional suggestion, including a method for categorizing the information gathered, see the box below.

IDENTIFY IMPORTANT INFORMATION

The HIF Model* affords an easy way to categorize the kinds of information needed as part of your membership development effort. This model suggests three types of information be collected: hindsight, insight, and foresight.

Hindsight information gives the historical perspective that helps you capture key trends and evaluate past efforts.

Insight information makes you focus on the present as it reflects on the organization's culture, values, and available resources (people, time and money), and gives you a greater awareness of how both external and internal issues and trends are affecting member needs.

Foresight information helps you project what will occur as a result of the factors in your members' and your organization's environment.

*HIF Model was developed by Ken Slaw, Ph.D., American Academy of Pediatrics, Elk Grove Village, Illinois, 1997.

Once you have both the current and potential member profiles analyzed, you will see clearly whether the organization should focus its efforts on strengthening the existing profile or on making changes to support long-term growth of the organization. If your current member profile reflects those who have been in the profession or industry for many years, you may choose to focus new efforts to attract potential members with less tenure. If most of your members reside in a specific geographic region, you might focus your efforts on other areas that are underrepresented but offer fertile areas for growth. The more information you have, the more targeted your tactics can be to achieve your membership goals.

Analyze important external information.

Even if you have a clear picture of the current member profile and the potential market, you do not yet have the full picture. Many external factors can have a significant effect on your members.

Environmental trends reflect changes occurring within the members' personal and professional lives. These environmental trends (social/ demographic, political/legislative, economic, business/profession, and technological) could influence the size and responsiveness of your current and potential market. Much of the information you need (especially the economic outlook) may be found in other departments, or could be obtained from local universities or government agencies. University faculty in social science and business administration can serve as valuable sources of information and help you better understand social/demographic and business/profession trends. Remember that these projections should be treated as tenuous; dramatic and unforeseen changes can occur overnight.

Competing organizations are part of the external environment and you should gather key facts about them, too. Knowing as much as possible about the associations and other for-profit organizations that serve your target membership market will help you determine the relevance and timeliness of your association's member services package and your marketing agenda. Look for the following for each competing organization:

- Member types served and numbers represented
- Products and services offered
- Key messages conveyed to prospective and current members (for example, reasons to join, advantages of getting involved, and reasons to renew)
- Format, tone, and context of member services literature

Once this information has been collected and reviewed, assumptions need to be developed that suggest the relevance and impact each environmental trend and each competing organization may have on your membership development efforts. For a sample, see "Transform Trends into Assumptions" on page 30.

Analyze important internal information.
In addition to capturing information about the external environment, gathering information from within your organization is important. When developing a comprehensive plan, be aware (where information exists) of the following:

Membership Development Statistical History and Trends

- Comparative analysis and/or statistical trends (for example, geographic representation of members, and percentage of new members versus renewing members)
- Member satisfaction survey results
- Analysis of members' core needs (from analysis of member profiles, external information, and/or survey results)
- Membership campaign results from previous years
- Promotional materials already developed and used by members and/or chapters (if appropriate)
- Types of membership training materials and tools already developed and used by volunteers

Association Programming Plans for the Coming Year

- Dates and focus of all-member mailings
- Editorial calendar and mail dates for publications
- Calendar of association's major events, programs, and activities
- New member benefits or services planned for implementation

TRANSFORM TRENDS INTO ASSUMPTIONS

If your association received the information shown in the left column about current economic, social, and technological trends, the "sample assumptions" shown in the right column might be developed to guide your planning efforts.

Trends	Sample Assumptions
Company mergers are expected to continue in all markets throughout the country.	Company mergers and decrease in job growth could shrink the universe of potential members and may result in a higher level of member attrition.
Profession will experience decrease in job growth for the next several years.	New member services or new types of membership may need to be considered to ensure stability and possible membership growth.
Advancements in hardware and software applications will facilitate communication and information documentation.	Need will arise for companies to increase training efforts for employees. Potential opportunities exist for association to meet this need. Consider using new technology to conduct education seminars and deliver related information in new ways that are more accessible to members.

Association Short- and Long-Range Plans

- Mission, vision, and value statements
- Strategic plan
- Annual priorities
- Key industry, professional, or cause issues to be addressed

Leader Support and Awareness of Membership Issues

- Key messages shared by leaders with members
- Frequency and format of membership reports generated for key leadership groups

Knowing the main priorities in the strategic plan will help you position membership development as a key program that supports the organization's long-term goals.

Why collect all this information? The value of membership data is often clear. Compiling information that is seemingly unrelated to membership development will help you better understand your organization's culture (what makes it operate the way it does) and other opportunities for the membership message. This awareness will help you develop strategies and tactics that are appropriate for your organization at this time. For example, an association that requires each department to purchase advertising space within its magazine at retail rates may require the development of more creative strategies if exposure in the publication is critical. Likewise, knowing the main priorities in the strategic plan will help you position membership development as a key program that supports the organization's long-term goals.

This may seem like a lot of information to gather and analyze. Remember, everything in your organization impacts on the membership process. Operating from this premise, you need to be aware of past, present, and future plans throughout the entire organization. The resulting information will help shape the strategies and tactics of your membership development plan. For a sample inventory, see "Conduct an Inventory of Association Activities" on page 32.

Assess members' core needs against your association's current member services package.

The next step is to reassess the relevance of your member services package for prospective and current members. Before resources are committed to a set of strategies and tactics, you want to be certain that prospective and current members will find value in the benefits and services offered by your association. This is a perfect example of how member profile information will be helpful in your planning efforts.

In establishing your current and desired member profile, you gained the opportunity to better understand your members' characteristics and priorities. When analyzing your association's internal information, you made some assumptions about their core needs. That information now becomes critical in establishing whether your association has a member services package that meets the needs of your members and how to target segments of the package to certain types of members. A quick assessment of your services package will help reveal both strengths and gaps that may need to be filled in the near future.

This quick assessment, an important step in preparing your plan, is no replacement for an audit of your association's benefits and services. Consider developing a simple table that identifies which benefits and services are responsive to your various member types. The following categories can be used to guide your efforts.

Programs and Events
Scheduled opportunities for members to come together to gain information, including educational seminars, conferences, membership meetings, expositions, electronic chat rooms, and electronic listservs

Products and Services
Information and support that members can access independently to meet targeted needs, including fax on demand, frequently asked questions on

CONDUCT AN INVENTORY OF ASSOCIATION ACTIVITIES

Seemingly irrelevant information about your organization can provide a valuable opportunity to further membership development efforts. When compiling information during your assessment, don't limit yourself to the obvious, as shown in the example below:

Association Program Plans

- An advertising campaign will be launched touting the value of the profession's contributions to society.
- Two existing books will be revised and released in June and October.
- A special anniversary issue of the magazine will be developed this year; an overrun will be printed.
- Strategic planning committee report outlines will be needed for three new programs that address emerging trends.

Leader Support and Awareness of Membership Issues

- At association events, members are routinely encouraged to get involved as volunteers.
- Each year the incoming president sets and publicizes a list of key goals and priorities; all committees should work toward meeting these goals.
- When leaders travel, they receive a set of talking points designed to highlight key messages that should be shared about membership.

Value of the Information to Membership Development

- Recruiting efforts conducted immediately after launching the advertising campaign can benefit from additional exposure.
- Strategically plan the content of the anniversary issue since it may get more attention than other issues and even become a collector's item.
- Greater committee focus on membership development, as requested by the incoming president, provides an opportunity to orient more volunteers and staff to the association's member profile and key needs.

TABLE 3-1

Conducting a Quick Assessment of a Member Services Package

This example shows a summary of core needs, which helps affirm whether or not an association has benefits and services to meet member needs.

	Member Type A	Member Type B	Member Type C
Core Member Needs	Access to information on issues A, B, and C Business, management, and leadership development New technology and business products Networking with content experts Access to discount services	Targeted technical information Networking with colleagues Professional development Access to discount services Recognition	Exposure to Members A & B Business planning and management
Programs and Events	Targeted educational seminars Annual membership meeting and exposition Participation at association leadership meetings Joint-venture demonstrations with key suppliers Web site	Targeted educational seminars Professional certification program Annual membership meeting and exposition Member receptions and other social events Web site Listservices and special interest chat rooms	Participation at association leadership meetings Exhibitor program Print advertisement program Joint-venture demonstrations with key suppliers Web site
Products and Services	Fax on demand Business software endorsement program Association bookstore (books, manuals, computer software, CD-ROMs) Monthly newsletter Monthly journal Weekly business email update	Fax on demand Association bookstore (books, manuals, computer software, CD-ROMs) Monthly newsletter Monthly journal	Guides and manuals on business development and planning Monthly newsletter Monthly journal
Direct Support	Association help line On-site networking at membership meetings	Association help line Member expert directory Mentor contact	Association help line On-site networking at membership meetings Supplier and vendor roundtable
Other	Legislative key contact program	Volunteer opportunities and awards programs	Participation in member recruitment campaign

volunteer-staff partnership will develop a communication process to ensure that all parties receive appropriate information.

If your organization does not have a written set of values, brainstorm key words that best describe the beliefs that determine the way your members and other key players are served. These basic beliefs should become apparent during a review of the following:

- Your association's current literature
- Internal memos written to leaders and staff
- Conversations leaders have with fellow leaders, members, and staff
- Conversations organization personnel have with members
- Posters, cartoons, and banners posted in staff working and break areas

Drafting a statement that describes your organization's values is not required, but will help provide clarity to others. The following words often emerge when identifying an organization's values:

Honesty	Value
Collaboration	Respect
Quality	Communication
Service	Integrity

Taking time to develop a set of values that reflects your organization's attitude toward its members will prove valuable for your membership efforts. See the box below for some sample value statements.

SAMPLE VALUE STATEMENTS

Respect

All individuals involved in this organization offer their own unique talents, skills, and expertise. We look for opportunities for those involved to share their talents, for their benefit as well as that of the organization.

Accuracy

Information is critical in today's changing environment. We are committed to providing members, staff, and other key players with accurate and timely information.

Member Satisfaction

Members' success is the purpose of our existence. We are responsible for the development and delivery of programs, products, and services that are timely and responsive to the changing needs of our members.

The information you gather as you review your organization's vision, mission, goals, and values will help you identify opportunities for growth and barriers that affect your membership development efforts. For example, your analysis may reveal that many volunteer and staff leaders are eager to support membership, but simply need tools to boost their confidence when talking to prospective members. This is a ripe opportunity. You might also find that your organization places no distinction between members and other "customers," and this lack of distinction has a negative effect on the way correspondence and promotional materials are prepared for distribution to members. This is a barrier to effective communication with both prospects and members. Even the most creative and comprehensive membership development plan will fail if it is not aligned with your organization's current culture and operations.

STEP 3

Establish key messages.

Key messages help you maintain clear, consistent, and powerful communication with your current and prospective members.

Key messages are important points you want members to believe about your organization. They should be conveyed routinely to new and current members throughout the membership materials and, if appropriate, through personal contact. In doing so, the organization creates and communicates a culture that members can identify and accept.

Key messages are best developed by a volunteer-staff leadership team. They should be shared routinely throughout the organization and used as a checklist when drafting materials for members. Not all key messages need to be conveyed in every association piece; use only those most relevant to the overall action you want the member to take as a result of reading the material. This repetition of your key messages will cultivate your member's awareness of the focus, direction, and value of the organization.

Key messages can be derived from your association's value statements. If you have not developed value statements, take the time to establish them as you develop your membership development plan. They will become valuable assets, helping to maintain clear, consistent, and powerful communication with your current and prospective members. In crafting key messages, think about the things that current and prospective members should know or believe about your organization, and the value of their membership investment (not the benefits and services). Make a quick list, then craft each key message into sample statements to provide clarity for others.

Key messages should be concepts that you want current and prospective members to hear over and over again. They should reflect the thoughts that will cultivate their awareness and understanding of the organization. They should also be compelling enough to encourage members to move through the member career cycle. (See Table 3.2 on page 37 for some sample key messages, as well as how they are translated for use in promotional copy.) There is no limit to the number of key messages an association might create. Start by crafting the most important three to five key concepts and incorporating them into your materials.

TABLE 3-2

Sample Key Messages

A sample of key messages is further translated for use in promotional copy.

	Key Message	Translated for Use in Promotional Copy
Create Forums for Learning	Developing high-quality and varied learning opportunities for members, using expert presenters, is a priority.	Enjoy direct access to content experts who deliver insightful, provocative, and accurate presentations on critical issues affecting you through the association's highly rated educational programs.
Convenient Local Access	Members can save time and money through the use of member services.	Save valuable time and money by using the association's benefits and services, which offer information essential to managing and operating your business.
Membership Value	Personal and professional goals can be achieved through involvement in the organization.	Achieve your personal or professional goals by participating or volunteering in association activities, programs, and services of greatest interest.

PHASE TWO

DESIGN

Steps in Design Phase

STEP 4: Set numeric goals and programmatic objectives.

STEP 5: Establish strategies and tactics.

STEP 6: Maximize all options for membership.

STEP 7: Develop a budget and a detailed work plan.

The information you have compiled in Phase One will be a valuable resource all year long. You will find yourself routinely referring to it when other questions arise. Also, consider how some of the information might be of assistance to others in the organization. For example, government affairs staff will benefit from knowing your members' profile in greater detail, especially legislative district, career tenure, and geographic distribution. You might decide to share this information at selected times, or at least make others aware of its existence.

STEP 4

Set numeric goals and programmatic objectives.

Goals are powerful tools when set and used appropriately. Besides providing a way to evaluate success, they can also serve as a motivational tool, providing a rallying point for leaders to get others involved.

Numeric Goals

Intrinsic to the membership plan are four numeric goals: number of renewing members, number of reinstating members, number of new members, and total number of members.

Number of Renewing Members

The number of renewing members for the coming year is often calculated based on the renewal percentages (by month, by member type, or annually) of the previous year. The projection should be based on the actual percentage of fully paid members from the current year, plus or minus adjustments resulting from external information previously collected. Another way to determine the number of renewals is to take the membership total at the close of the previous year and subtract the number of expected cancellations. If you are projecting a significant increase in the renewal percentage, consider whether you are able to implement an aggressive set of strategies and tactics to achieve the desired result.

Number of Reinstating Members

Some members tend to allow their membership to lapse well beyond the acceptable time period. Because of this delay, memberships are either reinstated to reflect a new anniversary date or back dated to the original anniversary date (your bylaws or membership accounting procedures will usually dictate which method is followed in your organization). While the percentage of members who lapse then reinstate may be small, this practice makes the creation of accurate reports somewhat difficult. If your organization allows reinstatements, consider this as a factor in determining your numeric goals. If a review of reinstatements over the past few years tells you that the same percentage of members reinstate annually, then you know a pattern exists. If you find a pattern, you can add that percentage to your renewals to make your projections. If no pattern exists, you have little choice but to make an educated guess. You may want to factor in some of your external data regarding issues or trends that may increase the number of members who pay late.

Number of New Members

Setting your new member goal can be a bit more challenging. The number of new members does not have to reflect previous experience. Dramatic fluctuations can occur as a result of many factors — perhaps high-profile crisis issues within the profession or industry, or leadership making membership a more visible priority, or the unveiling of a service that is only available to members.

Two methods can be used to set a new member goal:

- ▼ Select a desired number, then allocate the resources necessary to achieve it.
- ▼ Develop strategies and tactics using budgeted resources, and estimate the number of new members that might result.

Both methods are viable. The path you select is often dependent on history, your organization's culture, and current expectations for membership growth. If you are seeking to increase targeted segments of your membership, consider setting separate goals for them as well.

TABLE 3-3

New-Member Goal Segmented by Strategy

Several strategies are selected to achieve a new member goal of 2,500.

Campaign	Number of Members
Direct mail (spring & fall)	800
Member get a member (spring & fall)	1,200
Recruiter incentive program	250
Gift memberships	100
Miscellaneous (exhibits, prospect initiated)	150
Total	**2,500**

As you continue to work through the membership planning process, you may want to refer back to the new member goal and segment them by strategy. For example, a new member goal of 2,500 might be broken into several categories, as shown in Table 3-3.

Total Number of Members

The total number of members is simply the sum of the number of renewing members, plus the number of any reinstating members, plus the projected number of new members. Many associations will set two "total membership" goals: a conservative goal that reflects the number required to achieve targeted budget income, and a more aggressive goal that is use for promotional or marketing purposes. The box on page 40 illustrates a sample total member calculation.

Programmatic Objectives

Creating the perfect objective is not as important as establishing one that provides direction and focus for your efforts.

In addition to establishing numeric goals, objectives or desired outcomes for each of the five membership development stages should be established. To reflect the desired evolution of your membership development program, your plan should have at least one objective for each of the five stages. These objectives should be realistic (based on the findings and assumptions made from your analysis), yet challenging and measurable in some way. Each programmatic objective should reflect an end result, rather than describe an activity or a task. Creating the perfect objective is not as important as establishing one that provides direction and focus for your efforts. The box on page 40 illustrates some sample programmatic objectives, developed with numeric goals in mind.

Programmatic objectives not only support the achievement of numeric goals, but also help strengthen your overall membership development program. By establishing these objectives, you are taking the first steps toward activating a systems approach to planning. You will discover linkages between the various programs, tasks, and activities that exist within your own area of responsibility as well as those that exist across the organization.

SAMPLE NUMERIC GOALS AND PROGRAMMATIC OBJECTIVES

Numeric Goals

Current membership total	12,222
Number of expected cancellations	− 1,834
Number of new members	+ 2,111
Number of reinstatements	+ 35
New total membership	12,534

Programmatic Objectives

Membership Development Stage	Statements That Identify What the Association Wants to Accomplish
Prospecting	Add four new sources of prospective member names from identified markets.
Recruiting	Develop a comprehensive membership recruitment campaign. Increase the number of recruiters by 5 percent and provide adequate training.
Orienting	Create an orientation program that communicates (at least quarterly) to new and current members how to obtain value from their membership.
Involving	Increase the number of members attending at educational events by 10 percent. Increase the number and scope of opportunities to volunteer.
Renewing	Strengthen the existing renewal process to maintain our current renewal rate of 82 percent. Increase the number of responses by 3 percent from canceled members explaining the reason for dropping their membership.

STEP 5

Establish strategies and tactics.

Steps 1 through 4 cover the compilation of facts and figures, resulting in the generation of assumptions, goals, and objectives. Your greatest opportunity to be creative lies in Step 5, since the ideas generated here are very tangible. You may have felt time constraints that made completion of Steps 1 through 4 seem like an unnecessary luxury. Jumping directly to the establishment of membership goals without completing the earlier steps could result in the anxiety and frustration of not satisfactorily achieving the results you expect. Use the following definitions of strategies and tactics, along with the examples in the box on this page, as you develop your membership development plan.

Strategies

Strategies identify how stated objectives and overall numeric goals will be achieved. They represent programs or projects that already exist or others that need to be established. Be careful not to develop items that are more tactical than strategic. A strategy should be reflective of both your assumptions and your programmatic objectives, broad enough that a series of tasks are required to complete it. If you can fulfill a strategy with one action, then it is most likely a tactic.

Tactics

Tactics are the key actions needed to achieve the strategy. Those key actions may be specific tasks or lead to tasks, depending on the strategy.

SAMPLE STRATEGIES AND TACTICS

Programmatic Objective

Add four new sources of prospective member names from identified new markets.

Strategy

Initiate an ongoing solicitation for appropriate names — online and in print.

Tactics

Secure monthly space for an advertisement in the membership newsletter.

On the Web site, create a new page that highlights membership and solicits recommendations; add a link from the home page to this new page.

Identify targeted all-member mailings to determine which are appropriate for solicitation of prospect names.

STEP 6

Maximize all options for membership.

Each core program area within the association depends on the others for ultimate success.

As indicated earlier, too often membership development planning begins prematurely with the creation of strategies and tactics. Making a list of the things needed to achieve a numeric goal is easier than using a systems approach in which strategies are built upon each other within the five stages of membership development. In addition, focusing on strategies and tactics tends to be limited to the organization's focus of control. Many more outside opportunities exist to reach prospective and current members. Consider the following options when brainstorming your list of strategies and tactics.

Review last year's strategies and tactics.

In Step 2, you collected results from previous membership campaigns. Plan to repeat those that were successful. Review those that were unsuccessful. Consider modifying any previous programs that (with adaptations) might positively affect future outcomes.

Review ideas you have collected over the past year.

Make a list of ideas discussed at committee meetings, roundtables, and conferences, as well as online. Consider as many as you can, without focusing on the sources for these ideas. Instead, evaluate the intrinsic value of each idea, especially in relation to the numeric goals and programmatic objectives you've set.

Brainstorm new possibilities.

Here is an opportunity to be creative and truly maximize all possible options. For each stage of the membership process, make a list of all the possible strategies and tactics you might want to try this year. You will sort and prioritize them later, so do not limit yourself to a specific number at this time.

When you have your list completed, examine each item to determine if it is independent or integrated.

> **Independent** strategies and tactics rely solely on your efforts in their planning and implementation.
>
> **Integrated** strategies and tactics must be planned and implemented in cooperation with other association departments, programs, activities, and events.

Independent activities are often easiest to brainstorm, but association programming is synergistic. Each core program area within the association (membership development, legislative and regulatory influence, communication and public relations, management and governance, member services, and leadership development) depends on the others for ultimate success.

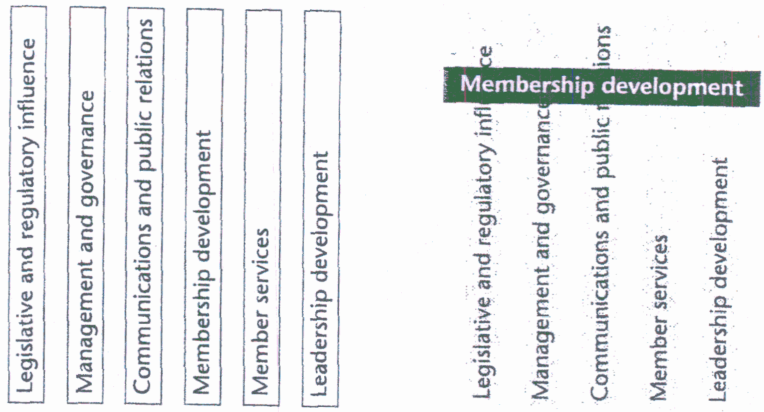
Integrated strategies and tactics allow you to incorporate the membership message within the context of other activities, programs, and events. An excellent way to maximize membership exposure and resources within the organization, this is also an opportunity to demonstrate to others how easy it is for everyone to have a role in membership development. In some cases, you will realize how much others already support the membership process. In other cases, you'll be able to create new opportunities for collaboration. The beauty of such collaboration is that a modest effort can yield significant results.

Departments that promote services to nonmembers are perfect candidates for collaborative membership development efforts. Common integrated strategies include having a membership booth at the annual membership meeting or at an educational seminar, or inserting a membership application in a brochure that promotes a seminar or annual conference. Through nominal effort, the membership invitation is easily extended to a large audience with little additional cost to the organization.

FIGURE 3-2

Membership Development As Independent Versus Integrated

Strategies and tactics can be viewed as either independent (on the left) or integrated with the work of other departments (on the right).



Next, sort each strategy within the independent or integrated categories as either active or passive.

> **Active** strategies and tactics require your direct involvement at all times. Examples: direct mail solicitation, orientation session, member-get-a-member recruitment campaign, member recruitment incentive program.
>
> **Passive** strategies and tactics are self-sustaining once they have been created, thereby allowing you to disseminate your message in many ways with little work. They exist on an ongoing basis and provide steady returns. Examples: ongoing membership solicitation in your organization's newsletter, membership directory, or assorted publications; member testimonials placed in print and online on the value of involvement; online or self-directed new-member orientation module; membership application included in every product order sent to a non-member; solicitation of prospective member names on the back of a renewal invoice.

MEMBERSHIP DEVELOPMENT TOOL

For a sampling of strategies and tactics guaranteed to achieve your numeric goals and programmatic objectives, see "Menu of Strategies for Membership Development Stages" on pages 67–77.

Sort, prioritize, and select the most appropriate strategies and tactics. If you take a moment to sort your strategies and tactics in the appropriate four quadrants (independent versus integrated and active versus passive), you will discover new opportunities, see gaps in your membership development plan, and easily estimate the amount of work and time required to accomplish your goals. Once sorted, you can give higher priority to those strategies that meet the most urgent needs of your organization. You will also be able to select the strategies that seem most realistic, based on your current resources.

Table 3-4 on page 44 shows an example of how the strategies for the recruiting membership stage can be sorted into independent versus integrated and passive versus active. Through this sorting process, you will be able to identify how many strategies and tactics are possible with support from others. This will make all the difference and contribute to getting others to think about membership on an ongoing basis.

TABLE 3-4

Maximizing Membership Planning with Independent and Integrated Efforts

A mixture of independent and integrated strategies enables you to fully maximize your membership development efforts.

Stage of Membership Development	Strategy or Tactic	Active Versus Passive
Recruiting	**Independent**	
	Direct mail campaign	Active
	Member-get-a-member campaign	Active
	Member incentive recruitment, year-long program	Passive
	Monthly advertisement in related journals	Passive
	Gift membership	Passive
	Integrated	
	Membership display at annual meeting	Active
	Advertisement in a seminar brochure	Passive
	Membership information included in product orders to nonmembers	Passive
	Hyperlink to membership page on association's Web site from Web sites of suppliers and other related Web sites	Passive
	Staff recruitment incentive campaign	Active

STEP 7

Develop a budget and detailed work plan.

Now that you've developed a defined set of strategies and tactics for your membership development plan, you can establish budget projections. Be sure to estimate both direct expenses (for example, the printing of a brochure) and indirect expenses (for example, staff time or use of equipment already owned by the organization). Table 3-5 on page 45 shows a sample budget for a direct mail campaign aimed at those in the recruiting membership stage. If you are working within a set budget, use this step to confirm that the strategies and tactics you have chosen can be achieved within the assigned parameters. If necessary, follow the procedures established in your association to solicit additional funds.

You can probably see that the most detailed step in the planning process is the work plan, of which the budget is just one portion. When completed, the work plan will include the proposed time frame of major strategies and key

TABLE 3-5

Creating a Budget for a Membership Development Strategy

Creating a detailed budget for each strategy provides opportunity to better allocate, manage, and monitor resources required to achieve your membership development numeric goals and programmatic objectives.

Strategy: Direct mail campaign (spring and fall)

	BUDGET ITEM (in dollars)						
MONTH	Staff @ 10% time	Design	Printing	Postage	List Rental	Mail House	TOTAL
January	450	1,575			1,200		3,225
February	450		2,100				2,550
March	450			1,100		875	2,425
April	450						450
May							
June							
July	450						450
August	450	1,575			1,200		3,225
September	450		2,100				2,550
October	450			1,100		875	2,425
November	450						450
December	450						450
TOTAL	4,500	3,150	4,200	2,200	2,400	1,750	**18,200**

tactics (see sample in Table 3-6 on page 46). This document will become your guide in developing a much more detailed monthly or weekly set of tasks that need to be completed in order to stay on track. The more you use the work plan, the easier it will be to make adjustments as unanticipated demands of your job distract you. In addition, the preparation of progress reports will be simplified because the tasks have been tracked. Being able to report this level of detail to selected volunteer and staff leaders will increase their sense of comfort that the programs and projects for which you are responsible are progressing nicely.

TABLE 3-6

Creating a Detailed Work Plan

Outlining major tasks for each strategy is critical to monitor workload and ensure project is managed effectively.

Stage: Recruiting

RECRUITING STRATEGY	TACTICS			
	Week 1	**Week 2**	**Week 3**	**Week 4**
Conduct spring and fall direct mail campaign	Review promotional materials from previous campaign Review returns from rental lists from previous campaign	Select and secure rental lists Review/draft required changes to promotional packet	Make revisions to promotional packet Secure print quotes	Send promotional packet to printer Secure mail house quotes
Conduct spring and fall member-get-a-member campaign	Review results from previous member-get-a-member campaign Solicit awards from suppliers Review promotional materials	Draft possible campaign themes, rules, and prizes Outline campaign logistics (time period, promotional mailings to targeted audiences) Send thank-you letters to suppliers	Meet with association staff to review campaign logistics and brainstorm ideas Consider incentives for member recruitment	Follow up with staff members who have expressed an interest in participating in campaign Incorporate ideas into campaign outline Begin drafting promotional materials

PHASE THREE

IMPLEMENTATION

Steps in Implementation Phase

STEP 8: Gain organizational support.

STEP 9: Communicate plan to members.

STEP 10: Implement strategies and tactics.

STEP 11: Monitor and report progress to key players.

As a result of your planning efforts, a membership development plan has been created that includes strategies and tactics involving the entire organization. Although the steps included in Phase Three may seem to merely reflect simple professional courtesy, nothing is further from the truth. If your desire is to get everyone to "think membership," then the manner in which others are asked (rather than told) to become involved needs to be as strategic as the plan itself. The implementation phase also allows you to be aware of changes and make adjustments before the desired outcomes of your plan are negatively affected. When reviewing the following steps, think about how they might be implemented in your association's organizational structure.

STEP 8

Gain organizational support.

If you've been working closely with the volunteer-staff leadership team, you've created a core group of advocates who can be supportive at this point. In addition to the key players selected at the beginning of your effort, consider identifying other key players within your organization from whom you need support. Do you need the support of a superior? Do you need the support of targeted committee chairs or staff professionals? Are there financial implications in this plan that require the support of a finance committee or chief financial officer? Are you seeking to gain the support of the board of directors or the executive committee?

The presentation of the membership development plan to all groups within the organization, whether verbal or written, is very important.

Make a list of the key players from whom you need a commitment of support. Then determine what information each person will need to make a decision or take an action in support of your plan. Giving the entire document to every key player may not be productive. Some people on your list may not have the time to give the plan the scrutiny necessary to make a decision. An executive summary of the plan that highlights key components and includes appropriate attachments may solicit the response you need from these important players.

Consider asking those who have been part of your working group to participate in presentations or be cosigners on correspondence that accompanies the planning document. This demonstrates that others are already in support and strengthens the message that everyone has a role to play in membership development. Inviting others to deliver the message with you will also enhance your image as a team player. Each presentation needs to be planned, taking into consideration your goals, the goals of the key players whose support you are soliciting, and the best approach to use. The box on page 48 illustrates a procedure you can follow as you plan your presentations.

You may want to track your presentations at meetings and your correspondence with key players, as well as the subsequent results from those with whom you have made contact. Efforts to gain support for a plan often generate additional ideas that could have a significant impact on the success of the plan. It is important to have a mechanism in place to ensure that these ideas are not unintentionally forgotten. While talking with a specific department about the plan and their possible involvement, you may learn about a key service that is not widely known. For example, interviews with various staff professionals throughout one organization uncovered the little-known fact that the member service center had a phone system that shared messages with those on "hold." Service center staff offered to add information about the membership campaign to the on-hold recording, thereby increasing its exposure to members. Had the interviews not been conducted and the information gained not been tracked, this opportunity would have been lost.

The presentation of the membership development plan to all groups within the organization, whether verbal or written, is very important. As you prepare correspondence or talking points about this project, remember to draft your remarks from the perspective of those you are addressing. The more you can talk about how this plan will help fulfill their goals as well as develop membership, the greater the opportunity you have to gain not only their support, but their active participation as well. As with anything shared with others, be open to criticism and be aware of your resistance to change. Accept negative feedback with grace. Consider the merit of all comments. Thank everyone for their feedback, whether you agree or disagree with their comments. Be sure to distribute the final plan to all who contributed so that they will be reminded of how and when they will participate.

HIGHLIGHTS OF A PRESENTATION TO KEY PLAYERS

Before preparing any correspondence or talking points, take a few moments to think about how you might best frame your remarks. Identify your target audience, then determine your goal, their goals, the best approach, and the most opportune timing. The example that follows illustrates this procedure.

Target Audience	**Board of Directors**
My Goal	Secure plan and budget approval Gain their active participation in targeted areas
Their Goals	Realize a net increase in membership during this leadership term Increase membership of younger professionals Increase attendance at key association functions
Approach	Present information to show how the success of the effort will support the board's goals Present information to show how board members' involvement will contribute to the success of the plan and to fulfillment of their own personal and professional goals Develop executive summary that highlights key points for each stage (in simple grid format); include page outlining the specific tasks required of board members and the time required for each task
Timing	Give periodic updates of goals as plan is being developed Send executive summary in board mailing when plan is completed Give ten-minute presentation at board meeting after board has received executive summary; allow time for questions

STEP 9

Communicate plan to members.

Gaining support of key players within your organization is the first step in implementing your plan. The next step is gaining full participation from the membership, which cuts across all five stages of membership development. Members can be encouraged to recommend prospective member names, give testimonials on the value of membership, recruit new members, orient members at a national meeting, or make renewal calls. Every member has the capacity to serve as an advocate for membership. Not all may be successful as recruiters, but a comprehensive membership development plan contains numerous tasks, including many that can easily be fulfilled by members.

To maximize the implementation of your plan, communicate targeted components frequently and effectively to your members. When, what, and how often you communicate with them can make all the difference. Be sure that your messages, whether verbal or written, reflect the value of attending or volunteering for a specific event from the *members'* perspective, not the association's.

GETTING MEMBERS INVOLVED IN MEMBERSHIP DEVELOPMENT

Your plan depends on the support of volunteer and staff leaders, but even more important is the support of your members. Consider unveiling the elements of the plan in the stages outlined below:

- At key meetings and in print, announce the plan's goals and make a "casting call" for volunteers. Consider holding a special meeting or activity to launch your membership development plan.
- Invite members to attend key membership-related events (for example, orientation sessions and recruiter training sessions), in person and/or in print, as appropriate.
- Communicate the results of your campaign at every opportunity, in person and/or in print, as appropriate.
- Display photographs taken at scheduled membership development activities (for example, recruiter training sessions and the campaign kick-off luncheon). Photos can be displayed in the office or at member events, and also included in print material with notice of the next event.
- Invite volunteers to celebratory events. Share the impact of their involvement at these events, at regular meetings, and in newsletters.

STEP 10

Implement strategies and tactics.

The opportunity to test your assumptions comes to life as you implement the plan. Two key documents (detailed work plan as shown in Table 3-6 on page 46 and executive summary of the membership development plan by quarter as shown in Table 3-7 on page 50) will help minimize feelings of being

TABLE 3-7

Membership Development Plan Executive Summary

An executive summary is a valuable tool to keep others abreast of your membership development efforts.

Membership Development Stage	Quarter 1 Major Strategies	Quarter 2 Major Strategies
Prospecting	Update prospective member database. Review/select list and identify dates for rental. Insert recommend-a-member ad into publications and Web site. Identify "top 100" prospects.	Insert recommend-a-member ad into publication and Web site. Review/add to "top 100" list.
Recruiting	Establish key messages. Select theme for membership campaign. Draft new direct mail packet for recruitment campaign. Conduct first direct mail campaign. Design and launch member-get-a-member campaign.	Review results from first direct mail effort. Conduct second direct mail campaign. Recognize recruiters in appropriate print publications. Review progress of member-get-a-member campaign and make necessary adjustments. Establish monthly reporting system to share progress with volunteer and staff leaders.
Orienting	Identify on-site orientation opportunities. Establish outline for orientation session. Review current new-member orientation package.	Revise orientation materials as needed. Establish online orientation module on Web site. Conduct orientations as scheduled. Conduct new-member satisfaction survey.
Involving	Solicit member testimonials. Outline involvement incentive program. Prepare talking points for leaders/volunteers.	Launch member involvement incentive program.
Renewing	Revise renewal cover letters for all renewal cycles. Establish monthly reporting system. Mail renewal notices/invoices to members.	Mail renewal notices/invoices to members. Monitor renewal results. Draft member exit survey.

Quarter 3 Major Strategies	Quarter 4 Major Strategies	Membership Development Stage
Insert recommend-a-member ad into publication and Web site. Review/add to "top 100" list.	Insert recommend-a-member ad into publication and Web site. Review/add to "top 100" list.	**Prospecting**
Review results from first and second direct mail effort. Conduct third direct mail campaign. Continue recruiter recognition program. Launch second member-get-a-member campaign. Distribute reports to volunteer and staff leaders.	Review results of direct mail efforts. Conduct final direct mail campaign. Conduct final member-get-a-member campaign. Continue recruiter recognition program and determine awardees.	**Recruiting**
Conduct orientations as scheduled. Monitor usage of online orientation. Review results of new member satisfaction survey.	Conduct orientations as scheduled. Make adjustments to online orientation as needed. Make adjustments to new member package as needed.	**Orienting**
Review initial results from involvement incentive program. Distribute results with targeted volunteer and staff leaders. Incorporate testimonials into appropriate publications and materials.	Make adjustments to member involvement incentive program.	**Involving**
Mail renewal notices/invoices to members. Monitor renewal results. Conduct member exit survey.	Mail renewal notices/invoices to members. Monitor renewal results. Review results from member exit survey. Share findings and recommendations with volunteer and staff leaders.	**Renewing**

overwhelmed as large tasks are broken into smaller, more manageable ones. The detailed work plan serves as your guide, while the executive summary is a valuable tool to keep others (leaders, colleagues, volunteers) informed of the plan.

The work plan, which reflects your specific work style, will also help you engage others to more quickly support your efforts. As you share the concepts and components of the plan at different meetings and in print, you will find others expressing interest. With a detailed set of tasks (small, medium, and large), you will be able to capitalize more easily on securing commitments of help from others.

Because this effort requires the support of many key players, consider setting up a system to keep everyone informed about membership. Use your organization's available technology, including email, broadcast fax, conference calls, and routine leadership mailings.

STEP 11

Monitor and report progress to key players.

You have created a powerful membership development plan, as well as a process that will help you manage your time, your resources, and the others involved. It will provide a guideline for drafting progress reports for others (from colleagues to the board of directors). By knowing exactly what is expected to be accomplished, by what date, you will be able to make routine adjustments to the plan and have confidence in the outcome.

In conjunction with those responsible for member records, consider establishing a specific date to "close out" each month's membership count (if this is not already in place). For example, you might want to have all new and renewing records entered for any given month by the tenth day of the following month. Reports generated after the tenth will then reflect the most up-to-date information. If reports are consistently prepared, you will be able to establish a baseline for measurement for this year and years to come. If reports are generated at inconsistent times, analysis will be less reliable, because other factors will have influenced the results.

Besides measuring your results, the progress reports will make it easier to plan in the future. The most useful reports show the targeted goal(s) and both month-to-date and year-to-date status of members, in raw numbers and percentages. Five kinds of short-range reports are especially helpful:

- New members by source code (special code signifying solicitation source)
- New members by membership type
- New members by location (for example, city, state, region, or district)
- Renewing members after first year of membership and after subsequent years
- Renewing members by membership type

Comparative reports provide valuable measures of the success or failure of planned efforts over a three-year period.

Consider the value of tracking progress over a longer period of time, too. Comparative reports (monthly or quarterly) provide valuable measures of the success or failure of planned efforts over a three-year period. Reviewing these reports, you'll discover natural growth and decline patterns in your association's membership. These patterns exist as a result of current strategies and tactics. To influence that pattern in any way and test the results of your efforts, you must compare your current numbers with those of previous years to see if any change has actually occurred. Without using these types of long-range comparative reports, you have only anecdotal history, which may not provide the same degree of accuracy. Three kinds of long-range reports are especially helpful:

- New members by month in a cumulative three-year comparative report
- Renewing members by month in a cumulative three-year comparative report
- Total membership growth/decline by month in a cumulative three-year comparative graph

These reports provide raw data and are not appropriate for general distribution. From the data received, however, consider developing a monthly membership progress report that highlights the most important numeric and programmatic components of your membership development effort. This report can deliver valuable information. (See the sample progress report in the box on page 54.) Tell the reader what the numbers mean, including their application to other association activities. Help others to understand the impact of the increase (or decrease) in membership on the association's goals. In a short period of time, key players in your organization will recognize the value of your monthly progress reports, and will look forward to receiving them. This monthly notice will also give you a routine opportunity to deliver key membership development messages. As a result of your ongoing communication, leaders, volunteers, and staff will be able to demonstrate their support and remind others that everyone has a role to play in membership.

PHASE FOUR

EVALUATION

Step in Evaluation Phase

STEP 12: Conduct periodic and year-end evaluations.

A comprehensive membership development plan can become a costly venture when considering both direct and indirect expenses. To ensure that resources are generating the desired results, it is vital to set time aside to evaluate the results of your membership development efforts. This final phase helps determine which strategies and tactics should be continued and for how long (either for the remainder of the plan or for the following year). Failing to conduct an evaluation guarantees that nonresponsive efforts will remain so, while those that are responsive may never be fully maximized.

STEP 12

Conduct periodic and year-end evaluations.

Allocate time to conduct an evaluation at targeted times and at the end of the membership year. Scheduling these in conjunction with leadership meetings is often the most sensible. If you have been preparing monthly progress reports, then preparation for the year-end evaluation will be relatively simple. If not, refer back to the reports generated in Step 11; these will assist with your analysis.

MEMBERSHIP DEVELOPMENT PROGRESS REPORT

General Statistics

Membership as of 12/31/98 = 575

	Month to Date	Year to Date @ 10 months	Goal
New member growth	21	121	150
Renewals (at 80 percent)	41	357	460
Reinstatements	2	15	35
Total	64	493	645

Strategies and Tactics Update

Prospecting

- Prospective member recommendations from print advertisements and Web site requests have increased 5 percent.

Recruiting

- Direct mail efforts and recent educational conference resulted in the recruitment of 17 new members.
- Currently recruited 81 percent of annual goal of 150 new members of this type.
- Combined membership/legislative issues solicitation to prospective members resulted in 6 new members.

Orienting

- 25 current and 47 new members are accessing the new member orientation on the Web site.

Upcoming Activities and Events

- Membership profile survey scheduled before end of the budget year.

Periodic evaluations are designed to answer two questions:

- Are the strategies and tactics currently implemented achieving the expected goals?
- Will the strategies and tactics scheduled to be implemented achieve the expected goals?

While some assumptions will be necessary, especially to answer the second question, current results should indicate a probable outcome. By looking at the data and considering its implications, you have time to adjust your plan, perhaps becoming more aggressive or even changing direction. Evaluation could prevent you from facing imminent disaster. Depending on the nature of your working group, you may do much of the analysis prior to the meeting, then bring your findings and recommendations to the group for review, discussion, and approval.

The timing of your year-end evaluation should coincide with your planning efforts for the following year. Consider scheduling a formal meeting during which you invite the participation of those who have contributed in some form throughout the past year. The purpose of this meeting is to review the results of the overall plan, examine some of the problems encountered, explore elements supporting successful collaboration, and make recommendations for the future. (A sample agenda for such a meeting is shown below.)

SAMPLE AGENDA OF EVALUATION MEETING

1. Welcome and Introductions
2. Review of Membership Development Plan's Goals and Objectives
3. New Members
   - Highlight of Strategies and Tactics
   - Review of Statistical Results
   - Analysis and Recommendations
4. Renewals and Reinstatements
   - Highlight of Strategies and Tactics
   - Review of Statistical Results
   - Analysis and Recommendations
5. Incoming Leadership Focus and Direction
   - Expected Goals from Incoming Leaders
   - Impact on Membership Development
   - Adjustments for Coming Year
6. Summary and Next Steps

Comparative historical reports will help identify particular strategies that need some adjustment, as well as those that no longer provide desired results.

To prepare for a meeting of this kind, you should generate an analysis of key membership statistics reports. Consider developing comparative historical reports if you have been conducting the same types of strategies over the past three years. These will help identify particular strategies that need some adjustment, as well as those that no longer provide desired results. By charting this information, you will discover common growth and decline patterns among new and renewing members. For example, the number of new members generated by direct mail will often decrease over time if the same lists are used for acquisition.

The following comparative reports will be useful as you prepare your evaluation:

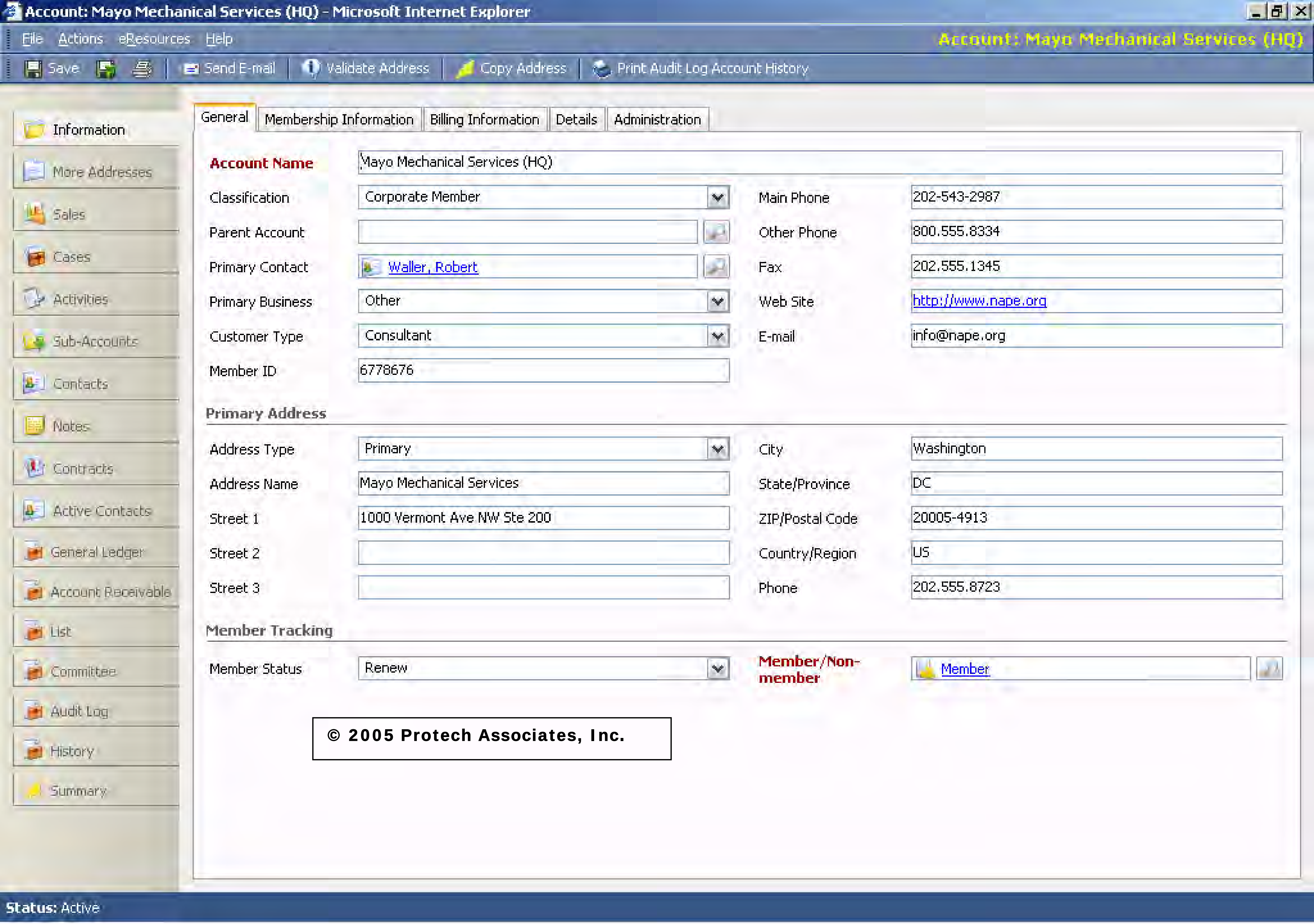
- New member growth or decline by source
- New member growth or decline by region (district)
- Renewing member growth or decline after first year of membership, after subsequent years
- Renewing member growth or decline by membership type
- Renewing member growth or decline by region
- Renewing member growth or decline by membership type by region
- Renewing member growth or decline by source code (special code signifying solicitation source)

SUMMARY

Membership development is a process that involves all volunteer and staff leaders who must recognize that individuals join the organization to improve or enhance their present status, personally and/or professionally. This enhancement occurs through the membership experience. The association's culture influences how active members will fulfill their expectations.

The manner in which you plan also plays a key role. Project planning focuses on the strategies and tactics for a specific activity. A systems approach to planning focuses not only on a set of activities, but also on how these activities might be integrated to maximize the desired outcomes. Effective membership development plans include a wide range of strategies and tactics within the five key stages of membership development: prospecting, recruiting, orienting, involving, and renewing. Additional exposure of your membership development plan can be generated by decreasing the number of independent strategies and tactics, and increasing the number of integrated strategies and tactics that involve other departments. You can further optimize your time by increasing the number of strategies and tactics that are passive rather than active.

The benefit to developing a plan of this kind is more than organizational. You will be able to employ a number of strategies and tactics that will guide members to use the organization as a tool to fulfill their expectations. And that's what membership development is all about.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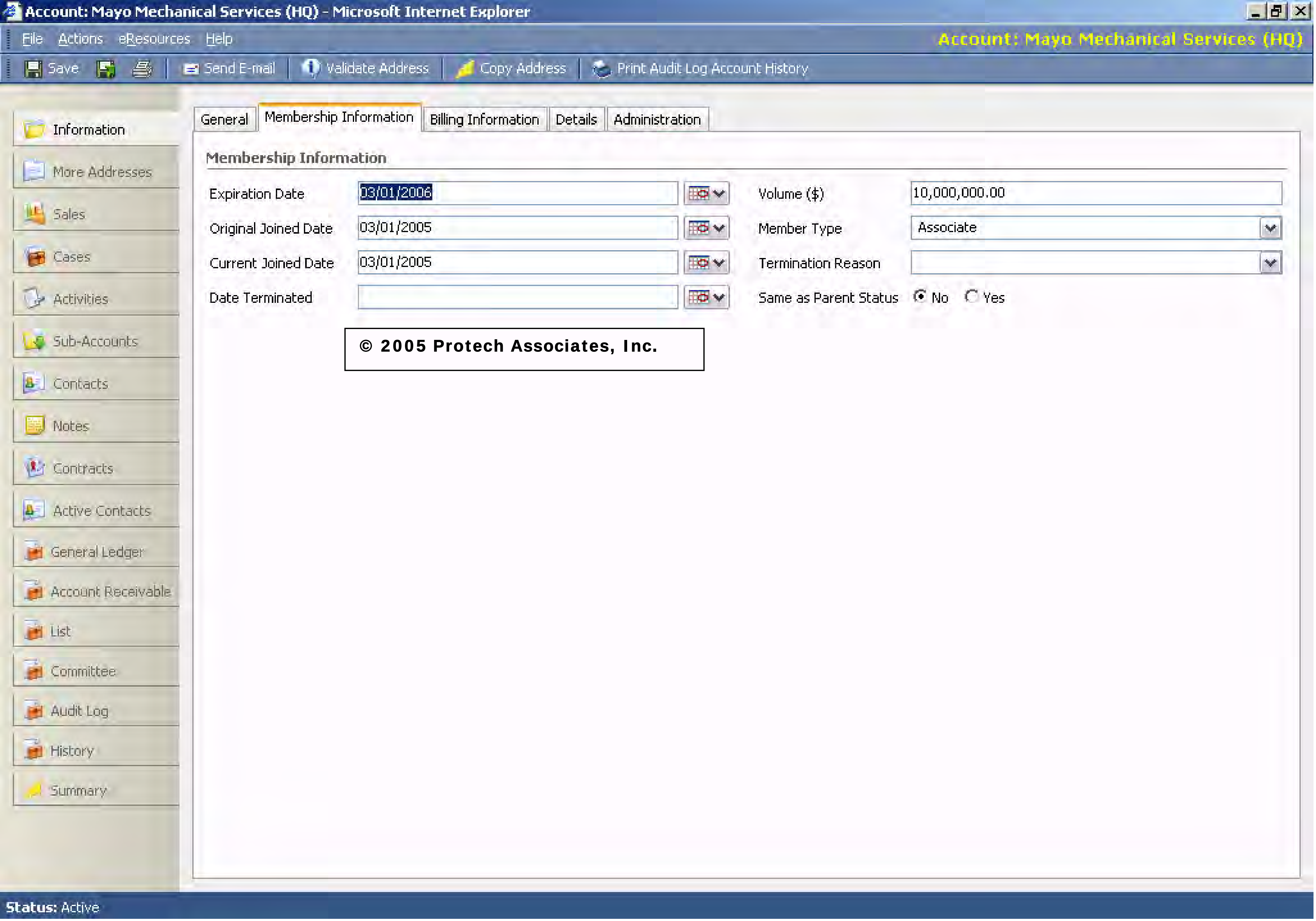
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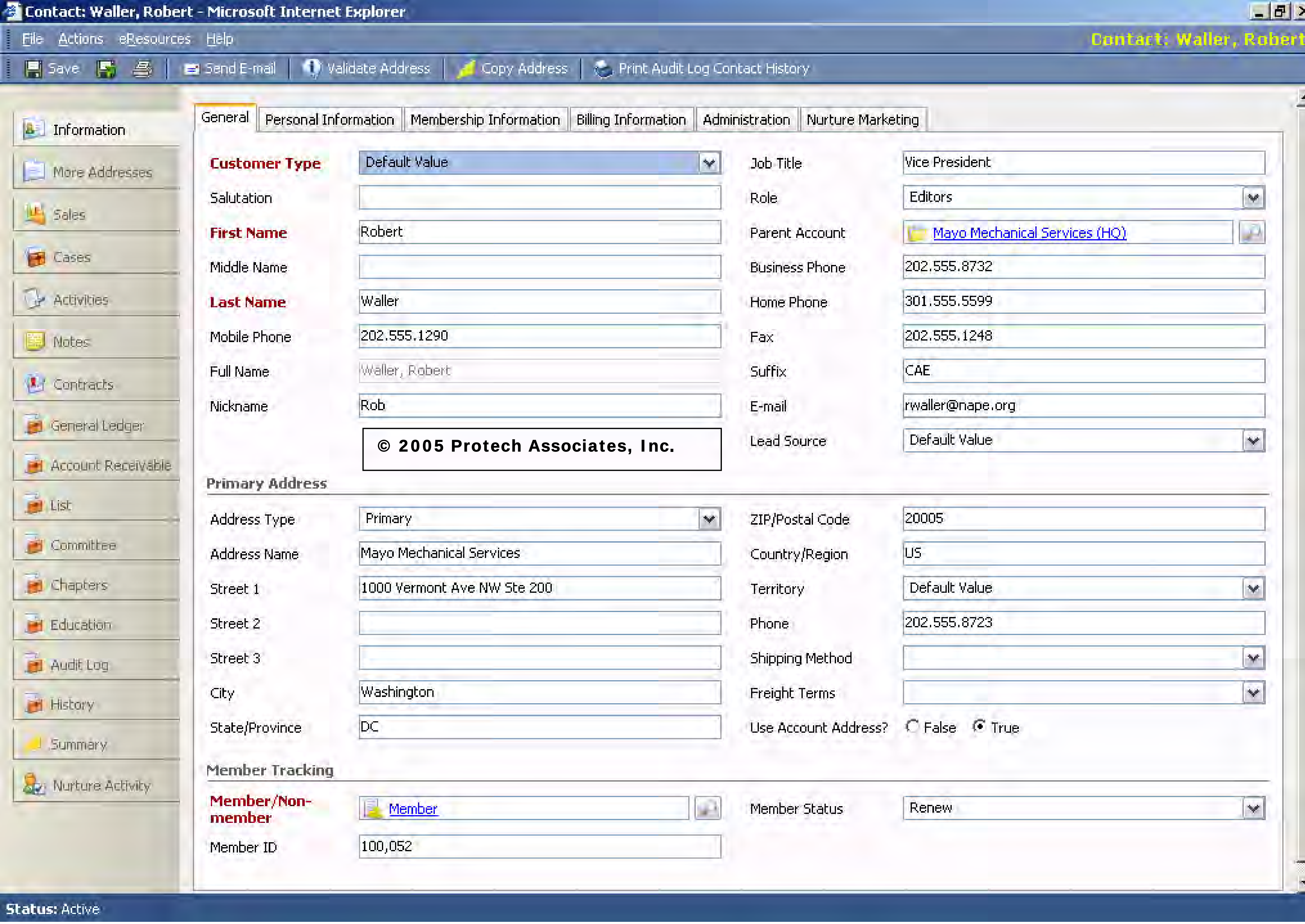
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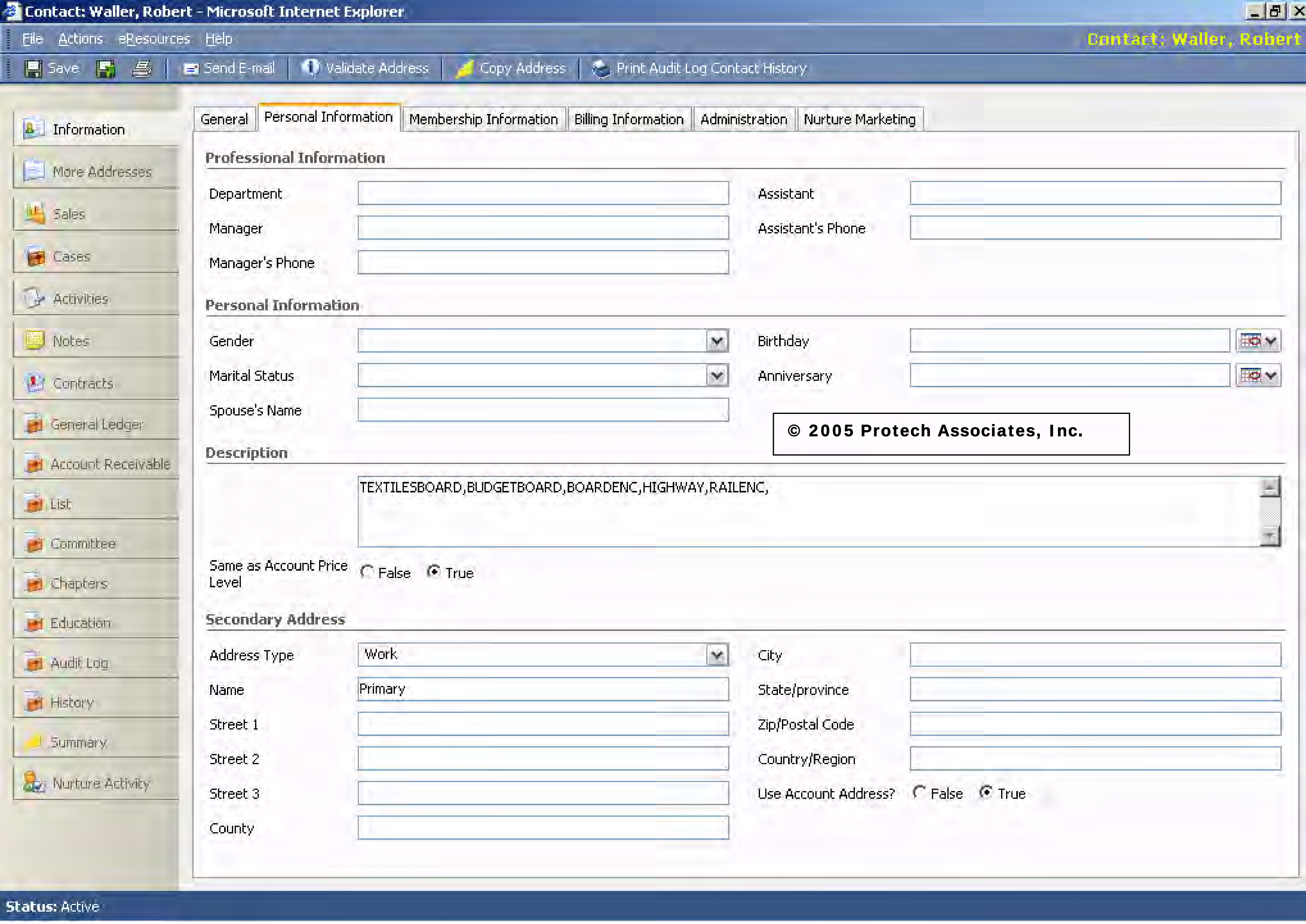
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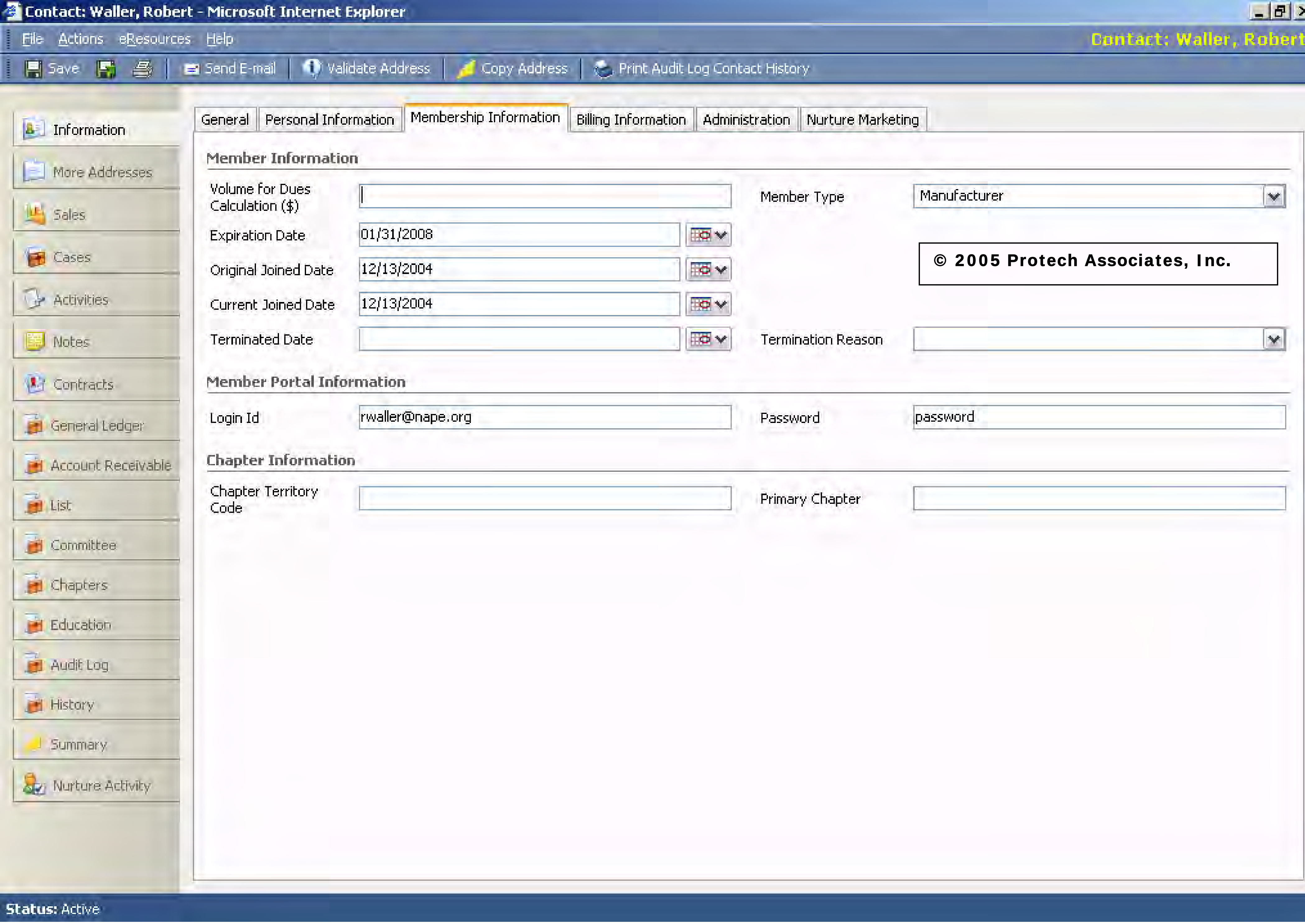
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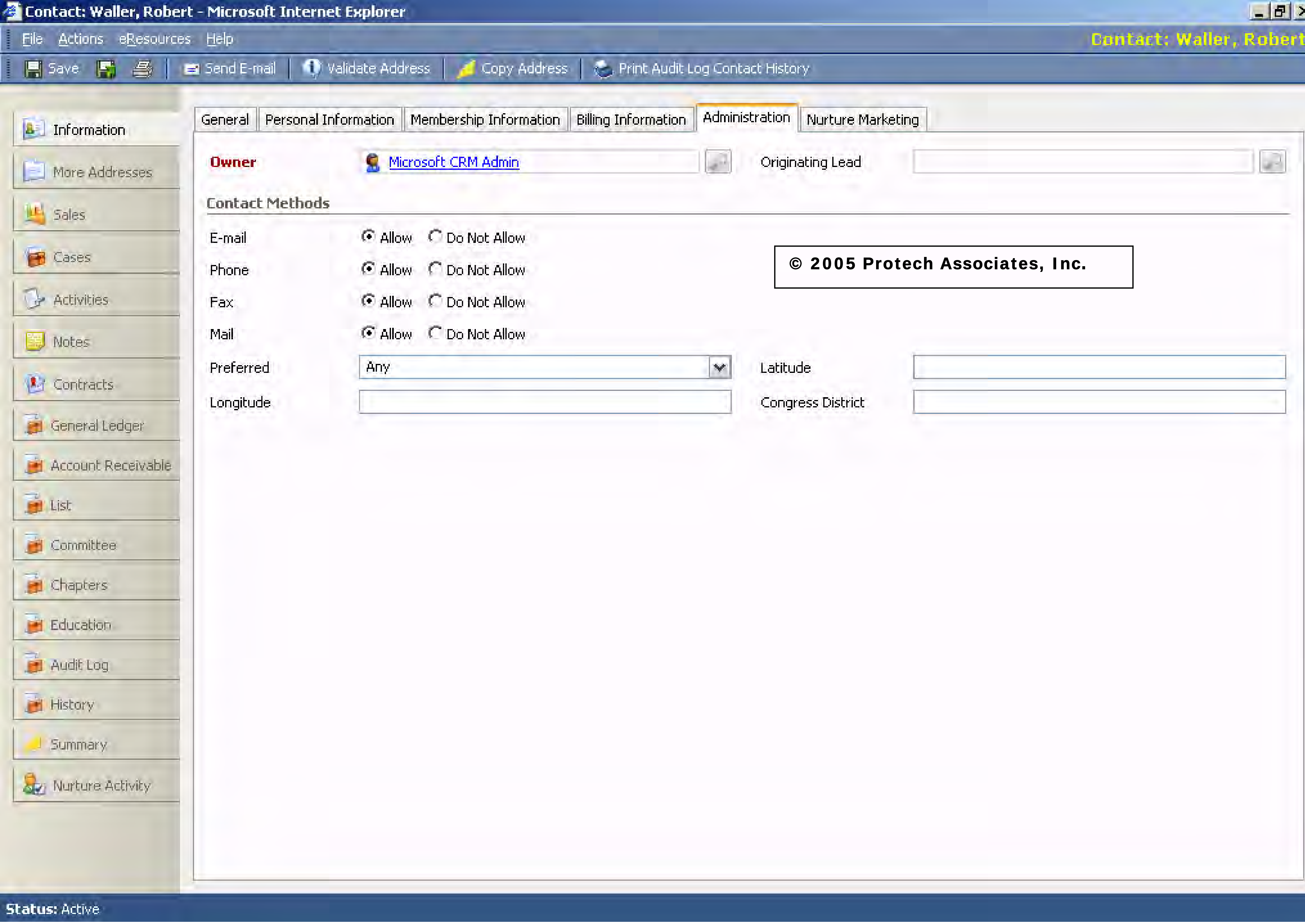
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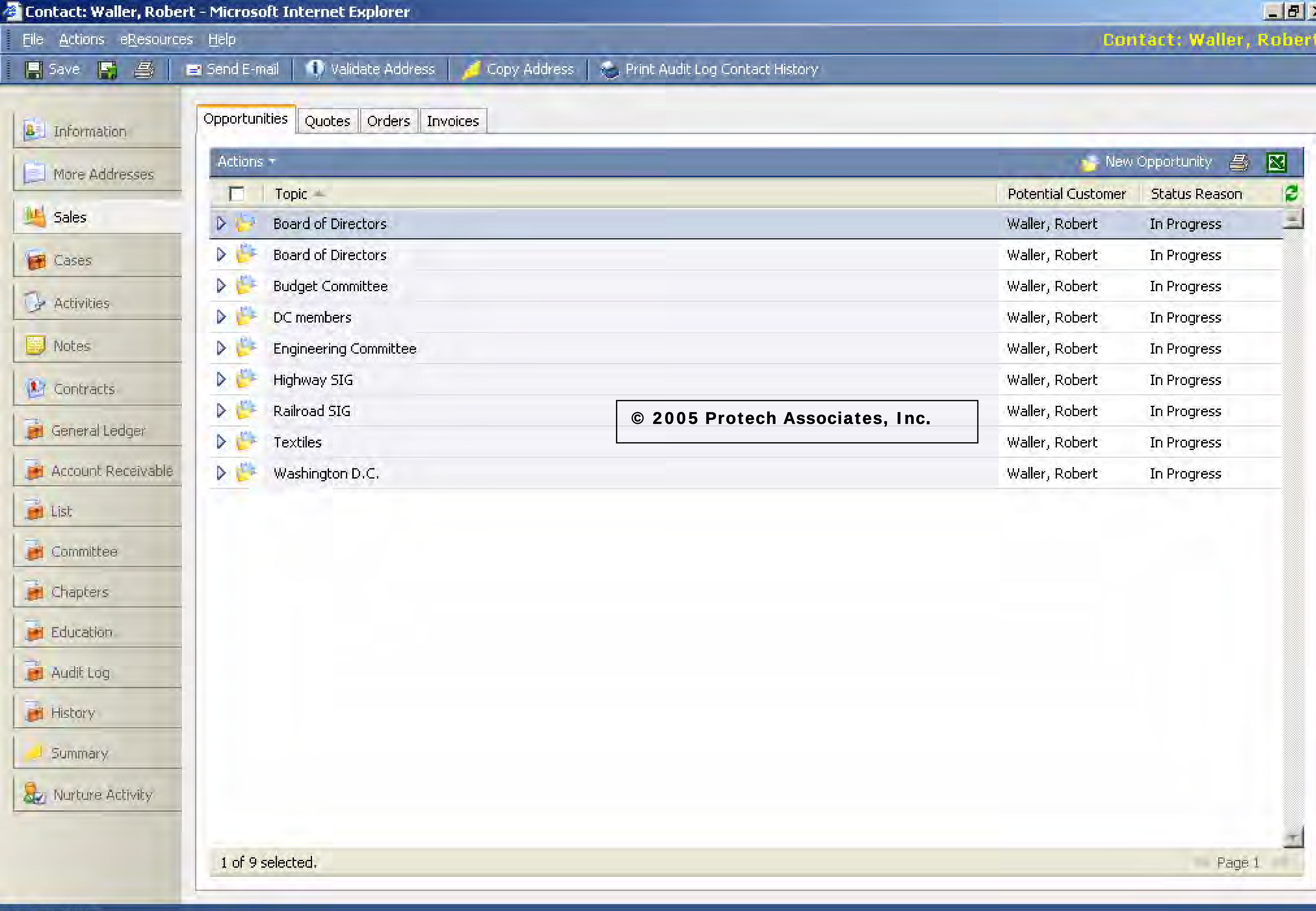
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- Settings
- CRM4M Settings
- Multi-Field Search
- Query Manager
- My Summary
- Nurture

List Setup

Actions | New List

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2005HOFA	2005AWARDS	2005 Hall of Fame Winner	Yes	No	Yes
LE	M1	2005 Lifestyle Editors Seminar	No	No	No
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2005SOIW	2005AWARDS	2005 Star of Integrity Award Winner	No	No	No
ACBCE	ACBFIN	ACB Continuing Education Fund	No	No	No
ACBPHD	ACBFIN	ACB PhD Funding	No	No	No
ACBSCH	ACBFIN	ACB Scholarship	No	No	No
AERO	AOI	Aerospace	Yes	Yes	No
AVIATION	SIG	Aviation SIG	No	No	No
BILL	AOI	Billiards	Yes	Yes	No
CERT	MEMB	Certificate	No	Yes	No
CHEM	OCCEMPH	Chemical Compounds	No	No	No

1 of 50 selected. Page 1

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Contact

Go

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- Home — My Home page
- Workplace — My Work, Calendar
- Sales — Sales Automation
- Service — Customer Service
- Reports — Metrics, Statistics

CORE COMPETENCIES IN MEMBERSHIP MANAGEMENT

Membership Operations

EDITED BY

Diane C. Feirman, CAE

ASAE Membership Section

asae | american society of association executives

WASHINGTON, D.C.

Diana M. Ewert, MPA, CAE, started her association management career in 1992. She has worked with philanthropic, trade, social service, and education organizations. Ewert received a master's degree in public administration–nonprofit management from the Bloch School of Business, University of Missouri–Kansas City. In 1999, she received the Certified Association Executive designation. Ewert is the managing director for member and customer operations, (United States and Europe) for the Urban Land Institute in Washington, D.C. She is the chair of the ASAE Chapter Relations Section Council and has served as a member on the ASAE Ethics Committee.

CHAPTER FOUR

Records Management and Database Issues

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DATA MANAGEMENT SYSTEMS, otherwise known as association management systems (AMS), are a significant investment. This centralized system essentially manages the organization's day-to-day operations, including membership application and dues renewal, meeting logistics and registration, product sales, certification tracking, contact management and activity tracking, reporting, and more.

According to *Association Technology Trends* (American Society of Association Executives, 1997), more than 40 percent of 1,185 association survey respondents have a centralized database. An AMS is able to track and access real-time information across functional areas. It allows the association to develop an in-house "standard" of consolidated, thorough demographic- and activity-related data on all member and nonmember records, thereby improving its ability to market and deliver relevant services. A centralized, multifunctional system streamlines operations, reduces duplication of effort, consolidates isolated data, and ultimately enhances staff productivity. In addition, many market offerings have integrated Web modules that allow members to post updates, order products, register for meetings, and more, all with a direct interface to the database.

Choosing a Data Management System

The process of selecting an AMS involves specific phases, each with different tasks and milestones. The following resources can help you in the selection process.

- ASAE Information Central (www.asaenet.org/research/). Information Central is an information clearinghouse that features a searchable database of literature consisting of more than 5,000 books, articles, and survey data; a compilation of Internet resource links; and other research-oriented information.
- ASAE Listservers. As a member benefit, ASAE provides the opportunity to participate in section listservers. These listservers provide a forum for information exchange on a variety of topics, including AMS vendors and products.
- ASAE Technology Solutions Directory. This directory is available online and in print, usually in the June issue of ASAE's *Association Management*. The directory provides a list of technology-related vendors and consultants along with their products and services. The online version provides links to company Web sites.
- Industry Events. ASAE and other organizations conduct a variety of events addressing various aspects of the AMS selection process. AMS vendors provide product demonstrations periodically.
- Consultants. Reputable consultants have accumulated experience and knowledge from guiding many associations through the process of selecting AMS solutions.

You should use these resources to conduct initial research. The more you know before commencing the selection process, the better equipped your association will be to choose the most appropriate solution.

When choosing a data management system, you may want to consider a team approach, where an overall project leader is appointed, but the evaluation and selection is a collaborative effort. Team members should represent different functional areas of the organization. Although it is not critical for all team members to participate in every aspect of the process (for example, proposal review), there are critical functions that warrant each member's involvement. These include participating in the needs assessment, software demonstrations, debriefings, and team meetings. The team approach offers representation of the association's different needs, varying perspectives when analyzing solutions, and group acceptance of the project as a whole, as well as the selected solution.

Needs Assessment Methodologies

Determining what the association needs is no small task. Whether a consultant is used or the task is managed internally, the most telling information can be obtained via staff interviews. The project leader or consultant should meet with groups representing each functional area of the organization. A functional area may be a crossover of various departments. For example, the meetings area may include participants from the meetings, accounting, and education departments, if individuals from all three departments are involved in meeting planning, management, and registration.

The focus of the interviews should *not* be an in-depth discussion of business processes (unless a complete business process review is desired), but rather an overview of the functional area operations and processes, a review of issues and inefficiencies with current processes and existing systems, and a discussion of requirements. The interviewer should develop a general format for the interview, with relevant topics and questions. Information gathered at this stage forms the basis for the remaining tasks involved in the selection process. It will be used to generate a request for proposal (RFP), develop a product demonstration agenda, and evaluate specific solutions and their ability to fulfill the association's overall requirements.

After the needs assessment, but before releasing an RFP, you may wish to conduct preliminary demonstrations. These demonstrations provide a general, high-level understanding of available AMS products. They are overviews and are not intended to provide in-depth detail; this is reserved for a later stage. Another objective is to begin the solicitation process by determining if the selected vendors should be solicited when it is time to distribute the RFP. Generally, three or four vendors are asked to participate at this stage—those whose products most closely meet the association's needs—and presentations are approximately two hours long.

Preliminary demonstrations often take place after the needs assessment. Once requirements have been established, it is easier to determine the products that most closely meet the association's needs. In some cases, demonstrations can and should take place before the needs assessment. If the organization has never used an integrated AMS or is currently using a very outdated, character-based product, it is helpful to become familiar with the concept of a centralized system and to view available features. This can establish a good foundation as the association begins to assess needs and requirements.

Making Software and Hardware Selections

Vendors are generally solicited with an RFP and are asked to submit a proposal detailing their solutions and associated costs. Information garnered during the needs assessment will be used to develop most of the RFP. Details regarding functional area operations and processes should be outlined, and needs for each functional area should be translated into system requirements or features and should be clearly stated in a format that will allow vendors to indicate their ability or inability to provide required features. It is also helpful to include supporting information (membership applications, conference forms, certification brochures, etc.).

Once the RFP is developed, the team must decide which vendors to solicit. Generally, sending the RFP to a large group of vendors is not recommended. Rather, the association should conduct substantial research beforehand to narrow the vendor pool to four or five suitable vendors. If the association viewed preliminary demonstrations, it will have a select group of potential candidates. Preferably, vendors should have at least three to four weeks to respond, depending on the length of the RFP and the quantity of information requested. The more time they have, the more apt they are to reply with a quality proposal.

Each vendor will submit a proposal, and the level of detail and format will vary. Often, those reviewing proposals will be left with several unanswered questions after the initial review. Those reviewing proposals should note questions as they arise, compile a list for each vendor, and select a medium for addressing the questions. Additionally, a line-item cost comparison should be performed to determine what is included in each proposal. Initial bottom-line costs may vary greatly from vendor to vendor, but once a line-item comparison of all project-related cost components is conducted, the variance may not be as great as it first appears.

Aside from cost, additional criteria for selecting finalists include:

References. Each vendor should be asked to include at least five references. The association should conduct a thorough reference check on all vendors. Develop a list of questions before making the calls; this helps to maintain uniformity. If possible, obtain unofficial references and do a quick check with these as well.

Customization. Those reviewing proposals must analyze the level of customization required to adequately address requirements and understand the vendors' philosophy regarding customization. In a broad sense, there are two types of customizations: those that change the product's source code and those that do not. Some vendors will alter the product's source code and customize the product to meet each association's exact specifications. Others will change the source code only if they are planning to incorporate these changes in the base software. Some vendors will not alter the source code, but rather, will write customizations that do not affect the source code. Before deciding on a vendor, the association should have a clear understanding of these options.

The association should understand that all customizations carry an additional cost over and above the cost of the base software. An alternative to customization is changing organizational business processes to fit the framework of the software as opposed to changing the software to meet association procedures. The association should consider any implications that customization will have on future upgrades. Sometimes, though not always, customizations may not transfer when upgrading. This may result in additional expense.

Support. The organization should thoroughly analyze the vendors' support plans, including methods of support, emergency support, and costs.

Security. The association should give ample consideration to system security and the level of customization the candidate systems provide. One or two staff members who will be maintaining the database should have full access to view and edit all fields. Other staff may need access to write only to those fields that relate specifically to their job, and still others may need only limited viewing rights. Ideally, each person should be given only the amount of access needed to do his or her job, to minimize the risk of inadvertent damage or sabotage of data.

Vendor responsiveness throughout the selection process. If the vendor has been responsive to this point, this may indicate that the company takes customer service seriously. On the other hand, if the vendor has a lackluster attitude, this may indicate the opposite.

Vendor's availability. If timing is critical for the organization and one of the vendors cannot accommodate the association's time line, you may want to eliminate that vendor from further consideration.

Training. Because training is crucial to the association's ability to maximize system performance, training options should be evaluated when making a selection. Return on investment is directly related to the staff's ability to use the system efficiently, and without proper training, this is unlikely. Many undesirable consequences may surface as a result of lack of training (user frustration, incorrect data entry, work-around solutions, and creation of stand-alone databases—all of which defeat the purpose of a centralized database). Although some users may require more training than others, initial training should include all users. A plan for on-going training and new staff training also should be considered.

If your budget is depleted when it's time for training or does not allow for on-going or newcomer training, the association may want to consider a "train-the-trainer" approach to training. This approach involves providing extensive training to select individuals, and in turn, these individuals train other staff. The train-the-trainer method is especially useful for on-going training and new staff training.

Reporting. An association must give due consideration to the reporting capabilities of the candidate systems. An AMS may be easy to use, have fields to store the different kinds of data the association will need, and be developed by a stable, responsive firm, but this is all for naught if the association management can't get the data it needs out of the system quickly, easily, and reliably.

Some systems have a substantial number of built-in or canned reports. But an association will need to report data in ways that fit its culture or that are particular to its needs in mining its unique data set. To that end, there should be some provision for customizing reports that does not wholly rely on the software developer. If an association has to rely entirely on an outside provider to develop customized reports, the cost can easily run to thousands of dollars in the first year, and the association may waste a lot of time waiting for programmers to create reports that fit the association's needs.

As such, there should be a customizable reporting tool built into the system that allows the association to query on fields that may not be a part of the standard, preformatted reports. Otherwise, the application should work well with a third-party reporting tool, such as Crystal Reports, which enables trained users to create ad-hoc reports. Failing that, there may be a person on the association's staff trained in the programming language in which the data tables underlying the user application are written. Finally, a limited number of well-trained association staff may use an all-purpose application, such as Microsoft Access, to query the underlying data tables. Whatever solution is chosen, the ability to get useful data out of the system is critical, and the cost of doing so should be considered as part of the overall direction the association takes in choosing an AMS.

When combined, these criteria should provide a means to select the finalists most suited to the organization.

After narrowing down the vendor pool to two or three (at most) finalists, an in-depth demonstration is the next step. The following guidelines can be used to help reap the greatest benefit from demonstrations.

Script the demonstration. Construct a specific agenda, categorized by functional area. This will allow the association, rather than the vendor, to be in control of the demonstration.

Mandate participation. The project leader must emphasize to staff that the demonstrations must be taken seriously and brief them on evaluation criteria. All participants should attend every demonstration or none at all. Products cannot be evaluated fairly if attendees view only two of three demonstrations.

Schedule demonstrations appropriately. Ideally, demonstrations should be scheduled with no more than one day in between each—otherwise, people tend to forget, making an accurate product assessment and comparison difficult.

Question consistently. The team and other demonstration participants should ask consistent questions of all vendors to obtain a thorough and fair comparison.

Generate a user survey. A user survey can be useful in documenting and assessing participants' reactions to the vendor and product if used correctly and completed fully by all participants for each demonstration.

Conduct a staff debriefing. This meeting should be scheduled shortly, if not immediately, after the final demonstration to solicit attendee feedback and determine the necessary follow-up action.

At this juncture, the association may be ready to make a final decision. However, if there is not a clear level of comfort, the association may want to arrange a hands-on demonstration. This will allow staff members to use the software for specific tasks, serving to truly illustrate navigational aspects, ease of use, and functionality and to possibly eliminate one of the contenders. Remember that users are not yet trained. Core team members may also choose to conduct a site visit to one of the vendors' existing clients and arrange a visit to each vendor's facilities.

After a system has been selected, the association will need to acquire the appropriate hardware. Generally, hardware selections are driven by the selected software. If the association selects a client-server system, a dedicated server will likely be required. Each vendor will be able to provide information regarding product-specific hardware requirements.

Database hosting is an option that is becoming increasingly popular and available. Several AMS vendors have hosting options whereby the system is hosted and managed at the vendor's site or another location determined by the vendor. Data are accessed by the client via secure, fast Internet connections. Benefits of hosting include monthly fees for software and hosting, rather than large initial cash outlays for hardware and software; freedom from finding and retaining qualified staff to manage the database; and remote access to data wherever and whenever needed by staff, regional offices, chapters, members, and any other authorized users.

Data Conversion

Once an AMS has been chosen and a timeline has been set for implementation, the association must focus on data conversion. Data can be converted, archived, or deleted; the association must analyze the data to determine the appropriate option.

- Converting data involves transferring information from the old database(s) into the new database. This will likely include general contact information, recent financial information, and other specific membership information (e.g., join date, membership type).
- Archiving is moving data from the old database to a storage platform that is not immediately accessible from the database. That is, the data are not moved to the new database, but are kept elsewhere on electronic file. Examples of data that may be archived include financial records, events attendance records, and other contact information more than three years old.
- Deleting data is permanently removing data from the old database, neither archiving it nor converting it. Data that can be deleted may include old contact information (e.g., individuals added to the database but with no other activity associated with them), temporary mailing lists, ad hoc committees, and other data with no value.

Prototyping Data

Another consideration is how the converted data appear in the new database. Because of differences between the structure of the old database and the new, the association may have to make some compromises when converting data. Because of these compromises, the association may want to test the data on a prototype system before final implementation. Testing will allow users to see the differences between the two systems and help determine if the new system will support their needs.

The association should consider the time required to convert old data to the new system. A lot of data will have to be "massaged" to convert cleanly into the new system. For example, the old system may have supported a two-digit year for certain date fields ("99" for 1999) while the new system requires a four-digit year ("1999" for 1999). All dates would have to be converted to the four-digit standard before being transferred to the new system. These nuances can take time to address, and the association needs to consider the time needed to convert all critical data to the new system and include this in its system conversion timeline.

An association may choose to run a prototype system to test the data conversion and system operability, running this system in parallel with its existing system. This would require additional work on the part of association staff, including double-keying data (putting the same data into both the old and the new system).

Determining Data Entry Standards

Before determining data entry standards, it is important to consider what condition the original data are in, and how global changes during the conversion process will affect them. This applies not only to the initial effect of the changes, but to more far-reaching consequences. For example, to streamline data entry, a system administrator may change all instances of "P.O. Box" in the database to "PO Box." Then, when the association sends a mailing list to its mail house, the mail house runs the file through a case correction program before printing address labels. The casing process automatically changes all instances of "PO Box" to "Po Box," assuming that "PO" is a word that has inadvertently been

double-capitalized, rather than an acronym. Similar problems occur with other acronyms, so it is wise to avoid acronyms altogether in entering data, or else to make certain data are consistently entered in such a way as to obviate the need for case-correction programs.

Equally important in determining data entry standards is consideration of data usage. For instance, an association will often use the data in its database to create a mail-merge letter. It is therefore important to be sure that the data are consistently entered so that they will conform to accepted business standards when they are merged into a letter. For example, some database programs automatically create a salutation field, which concatenates the honorific and last name into a single field, such as "Mr. Smith." This works fine, unless the member gives his or her first name as Pat, Chris, or the like, making it impossible for the person entering the member's record to determine whether to use a masculine or a feminine honorific. In this case, the automatically generated salutation has to be changed manually to the person's first name, so that a mail-merged letter won't begin with the salutation Dear Smith:.

Then, there is the F. Scott problem. If there is no automatically generated salutation field, and the association is in the habit of using a first-name salutation in letters, a member who goes by his or her first initial and middle name is likely to open a letter which begins, Dear F.:. It's not the end of the world, but it certainly destroys the illusion of a personalized letter. In many cases, the solution to this problem is to examine and manually correct the files before merging the letter, but the problem can sometimes be fixed at the data-entry level. In some membership management systems, there is a badge name (or nickname) field, which assumes that the member likes to be called by his or her first name, but can be manually adjusted. Data entry staff should be trained to change the badge name field to the middle name in cases where it is obviously preferred by the member. Then, an association that prefers to address its members by their first name can use the badge name field as the salutation in a merged letter.

The following are some items to consider in determining data entry standards:

- Will members' contact data be used only for printing mailing labels, or will they also be used for field-merged letters? This brings to bear on whether data are entered in all upper-case letters, or in upper and lower case.
- Are most members located in the United States and Canada, or does the design of the database need to accommodate the address and telephone formatting of other countries as well? If membership is at present North American, is there any likelihood that it will expand to other countries?
- Information on members' annual sales or other data that determine dues and fees must be entered uniformly for all members, and in the simplest possible terms, to allow for maximum flexibility in using the data to construct dues matrices and reports.
- If members have multiple company affiliations or multiple addresses, how will these be managed?
- If member demographic information is to be collected, the kinds of data should be determined before setting up demographic tables and should allow for as much flexibility as possible. This way, as the members' needs change, the association can respond to those changes by changing the kind of information it collects. Demographic data collection is expensive and time-consuming, so the association should be as inclusive as its vision allows in designing demographic tables. Is it important to know the educational level of individual members? If an association is fairly broad in the scope of its services, it may want to know the exact job responsibilities and interests of each of its members, in order to target marketing of professional development services. The association may also find this kind of information helpful in refining its focus to better serve the identified interests of its members as their needs evolve.

Once the association has determined how the data will be used, data entry standards must be designed that will facilitate these uses of the data. The key is absolute consistency.

Most associations find that entering the data in upper and lower case is most effective, because it gives maximum flexibility in using the data for mail-merged letters. The U.S. Postal Service prefers all upper case letters on mailing addresses, but it is much easier to convert mixed case letters to upper case than the reverse. Letters written or headed in all caps are generally considered difficult to read and are less-than-standard in common business usage.

The use of abbreviations should be standardized and adhered to. Again, the U.S. Postal Service prefers standard abbreviations without punctuation for addresses; however, many associations eschew abbreviations in letter headings for a more formal appearance. It matters little which way an association decides on this issue, as long as it is consistent throughout its data entry practices. Although this kind of inconsistency may not be obvious on a single envelope, it would be glaring in a printed directory or meeting attendance roster, where "St." may be in the entry just above "Street," and "Blvd." may appear next to "Boulevard." The overall effect would appear sloppy and unprofessional.

With regard to titles, abbreviations are often unavoidable. A member's job title may be too long to fit on one line of an address label unless it is abbreviated. A good source of standard business abbreviations for use in titles is *Postal Addressing Standards,* available at no cost from the U.S. Postal Service (Publication 28, 1-800-238-3150).

Because there is little standardization of job titles, even within a given industry, many association database systems contain a separate field for role. This can be an effective tool for selecting records, if it is applied consistently, because the role field can be constrained to allow only predetermined values. When the number of available values in a field is limited, it is more efficient to query that field for a particular set of records.

Some associations use the role field to indicate an individual's administrative level within his or her organization, such as manager, director, president, and the like. Other associations may use this field to indicate the person's area of expertise, such as human resources, administration, and so forth. These roles can then be used in a query of the database to select multiple records of a particular type, if they are used consistently and kept fairly general. Some associations find it helpful to assign multiple roles to a given member, in an effort to identify more precisely the person's interests.

Communicating Data Entry Standards

Data entry standards should be effectively communicated. All staff and volunteers who will have "write access" (meaning permission to make changes to data) to the system should be thoroughly trained and must understand the importance of consistency in entering data. After initial training, association management should monitor the production of individual staff members and retrain when necessary, to ensure adherence to the standards.

An association should publish and maintain a data entry standards document that is readily accessible to all staff. This document should outline casing standards, when abbreviations are acceptable, what abbreviations are not acceptable, and how titles and roles should be entered into the system. It should specify the minimum required fields for creating a new individual or company record. New employees whose jobs will require them to enter data into the system should be thoroughly trained in its use, with particular attention to the data entry standards document.

If an association is considering migrating its existing database into a new system, the existing data entry standards document should be carefully revised to reflect any change in policy that may be required to accommodate the new software or any anticipated changes in use of the data. In the rare instances where data entry standards must be changed for an existing database system, all employees should be made aware of the change.

General Data Entry Training

There are two levels of training necessary for data entry. Most important is the training of staff whose jobs require them to enter data into the membership system. The second is the basic level of instruction offered for members who may be able to revise their contact information through the association's Web site.

Most database system developers offer generic material for use in training users on the system. This can be helpful in training managers and other first-generation users on a database system. Once the system

is populated with an association's own data, however, most associations find it more effective to develop their own training materials. This makes it easier for the new employee to become familiar with the kinds of data he or she will be working with and the kinds of questions that will come up in using the database. Using the association's own data, preferably in a duplicate, training, or test database, it is possible to give employees real-time, true-to-life situations that are likely to arise in entering data, and they can be trained to make appropriate decisions as to how the data should be treated. This training should be as realistic as possible and should cover many of the situations the employee is likely to encounter when normally using the system.

Another important training issue for database users is effective search techniques. There is no way to ensure that no duplicate records are created in the database. An employee may be searching the system for a member who identifies herself as "Peggy Smith," for instance. It may not occur to the employee that the member's name is in the system as "Margaret Smith," and a new duplicate record is created as a matter of course.

Scrupulously monitoring the work of new employees, as well as occasionally checking the work of longer-term employees, is as important as initial training. Many modern membership systems are searchable for records entered by a particular employee, within a given date range. Running a report like this for new employees allows you to scan their work for errors and adherence to data entry standards. It may be a good idea to similarly monitor the work of veteran employees, as well, if less frequently. This process of monitoring allows the system manager the opportunity to retrain employees in the use of the system when necessary or alerts supervisors to the need for employee counseling.

Some membership database systems allow members to edit their own contact or affiliation information from the association's Web site. This can be a great opportunity to cut some data entry costs and get members more involved in taking responsibility for their own information, but it can carry pitfalls of its own.

Members cannot be expected to know the intricacies of data entry standards. Members generally won't care whether their street address is abbreviated, or whether their e-mail address is entered in upper case, lower case, or a mix. They may feel perfectly comfortable using their company's acronym or other trade name—rather than the legal name that is in the database.

There can be some minimal instruction as to what kind of information is expected of a member in updating his or her record, but responsibility for monitoring the data entry rests with the staff entrusted with managing the database. In designing a system that allows members to update their own contact information, there must be an opportunity for that new information to pass by a data entry clerk for approval and editing.

Data Collection

Collecting new data on current and potential members should be aggressive and relentless.

Existing members' records need to be updated regularly, due to an organization's move from one location to another, area code changes, reorganizations, and staffing changes. Members may or may not volunteer this information. The database manager needs to seek out this information by soliciting, at least annually, updated records of members. In associations with institutional membership, this may involve the relatively easy task of sending a list of the organization's affiliated members to a designated primary contact and asking that contact to make any necessary changes. This is more complicated in individual membership associations, because when a member leaves his or her company, the association often loses the only address it has for the member. For this reason, many individual membership associations collect their members' home addresses.

Collecting demographic information on members has become increasingly important. This may involve age, education, seniority, or level of expertise of the individual, or it may involve the specific areas addressed in the person's work. This is particularly important in associations with a relatively broad scope of services, because it enables the association to tailor its professional development and publications marketing strategies to individuals with demonstrated interest in a particular field.

A good example of this is a 1999 survey conducted by the National Association of College and University Business Officers (NACUBO). NACUBO offers a broad range of professional development programs and publications in higher education management. Rather than intensively marketing all its programs and publications to its entire membership, NACUBO identified the job responsibilities and related interests of as many individual members as possible and held down the cost of marketing individual programs.

NACUBO developed a list of twenty-two broad areas in college and university management and subdivided each into specific items to design its survey. The responses were tabulated and recorded in each member's demographic record in specific fields that can be queried in marketing programs and publications related to that field. Thus, materials advertising an accounting workshop can be directed only to persons who have indicated an interest in that subject, and that workshop may be more intensively marketed to individuals who have indicated that they work directly in the field of accounting.

Collecting and recording this kind of data may seem like a daunting task, but technology can greatly reduce the cost of the process. In the NACUBO survey, the survey instrument was developed as a two-page form that could be scanned, and responses were recorded by members darkening circles next to the items in which they had either an interest or a responsibility. The forms were then scanned, and the results, linked to the member's system identification number, were exported to a table, which could then be uploaded directly to the association's database.

Some associations purchase the software and hardware necessary to conduct this kind of survey in-house. Most systems sophisticated enough to do elaborate surveys also require substantial training, as well as a staff person whose job is largely dedicated to the task of developing the surveys and designing the process for uploading each survey to the database. NACUBO decided it made more sense to outsource the design of the survey instrument and the upload process. After the initial, very large mailing of the survey instrument, NACUBO handles ongoing data collection in-house.

In surveying its members, an association must have clear objectives at the outset: What data do we need to collect? What are the data going to be used for? How are we going to transfer the data to the database in a way that allows them to be mined effectively? It is important that the data be formatted in specific, measurable values, in order to benefit from the ability to enter the data in the system economically and to query the data effectively. Trying to save money by creating a survey that is not scannable often backfires when the association has to retain and train temporary employees to manually enter data.

As important as designing a member survey is getting members to fill it out and return it. The design should be colorful and should use a lot of white space, so the survey won't look too complicated to the respondent. Let potential respondents know that the survey is on the way, that it is easy to fill out, and that there is value to them in returning the survey. If a member is expecting a survey, it is likely to trigger a spark of recognition and curiosity, which translates to a greater response rate. A survey that just appears in a member's mailbox and looks daunting to fill out will be treated more as an annoyance and put aside or immediately thrown away. An association might offer a prize drawing, such as a free registration or hotel stay at its annual convention, in which respondents to the survey will automatically be entered. These kinds of prizes can be offered at little or no cost to the association, but add significant value to the respondent.

Response rate in a survey should be viewed in terms of its ultimate value to the association. An initial response rate of 20 percent may seem low, but all the respondents are qualified targets for marketing efforts: they have actually indicated an interest in the product being offered. Additionally, the association will find, over time, that repeated efforts to collect data will yield greater success than initial saturation.

Staffing for Effective Database Management

There are no absolute guidelines as to how many employees are needed to effectively manage an association database. What is important is that the association assigns ownership of the database system to the employee who is responsible for it. In most associations, management of the database falls naturally to the membership department, but in many cases it is a shared function.

Having one employee who is responsible for overseeing all aspects of managing the database goes a long way toward ensuring the integrity of the data it holds. These functions include managing data input, thoroughly training both permanent and temporary employees, assigning security levels to individual employees, and serving as a primary resource for managing and collecting new types of data. That person may or may not have the technical expertise to tinker with the back end of the database, but should have a thorough understanding of its workings, its importance to the association, the effective use of policy to manage data collection and entry, and the ability to communicate these concepts effectively to other staff.

There should also be a technical person working with the database who is thoroughly conversant with SQL (Structured Query Language, pronounced "sequel"), Oracle, UNIX, or whatever programming language regulates the underlying structure of the database. This person may be the same as the database manager, or in a larger association, it may be an employee from the information services department.

Finally, there should be employees who do the actual data entry. There should be enough employees to ensure that data changes are entered in the system in a timely manner. They may be part of the membership department or spread over several different departments, but they must all be thoroughly trained by the database manager, and their work should be regularly monitored.

Managing security levels among staff and volunteers who have access to the association's database is one of the more difficult issues a database manager faces. In some associations, many or all staff members have "read access" to the system, which allows them to look up individual records or query for groups of records. Before gaining "write access" to the database, an employee must be thoroughly trained in all aspects of data entry and, thereafter, should be continuously reminded of the association's data entry standards. Even so, not all employees would have either read or write access to members' financial records stored on the system. This information should be limited to those with a need to know. The ability to void or change invoices might be limited to only those individuals in the association's accounting department. The availability of security levels that would grant access to only those parts of the database that an employee needs to do his or her job is an important factor in choosing a database system. Assuming that security levels are available, they should be scrupulously monitored by the database manager who assigns them.

Many associations grant volunteers read access to parts of the database; some grant write access to volunteers. There are several factors to consider in allowing access to members who do not work directly for the association. First, all employees and volunteers should be asked to sign a confidentiality agreement stating that they will not rent, sell, or otherwise divulge information in the database to outside parties. If an association also grants volunteers write access to the system, it should be aware that volunteers may not be entirely rigorous in adhering to data entry standards, and the association does not have the same leverage in these cases as with employees. The only recourse an association has with a volunteer who fails to meet standards is to monitor and correct all of his or her data entry, or revoke access and risk losing an otherwise valuable asset. Most associations steer around this thorny issue by instituting a policy of read-only access for volunteers.

Putting the Data to Work

While most associations spend a lot of time, money, and energy on selecting and implementing an association management system, the process of using the data collected in the association database is often overlooked. From number of members, to publication orders, to meeting registrations, to certification, associations collect large amounts of data that may help them to better market their products and services. Although some of these data are easily extracted and analyzed, other data require deeper thought and consideration.

Current Membership Numbers and Revenue

Assuming the association is keeping track of its members in the database, and assuming that data are up-to-date and accurate, association executives have immediate access to two key measurements: total members and total membership revenue. Depending on the type of association,

this benchmark may occur as infrequently as annually or as frequently as monthly or weekly. Whether the association is a trade, professional, or philanthropic organization, it can track its progress with periodic benchmarking of these two numbers. The association's growth can be measured in terms of current membership compared with one week, one month, one year, or five years ago (or whatever is appropriate), as well as total membership dues revenue measured against the same time period.

There are other statistics that are also easily accessible from the database, provided records have been kept accurately for some period of time. These include:

- membership retention
- market penetration
- lifetime value (LTV)

Membership retention is a relatively easy formula that requires only three numbers: the number of members from some date in the past, the number of new members added since that time, and the total number of members now. One simply subtracts the number of new members from the current members, and divides that number from the number of members in the past. For example:

> On 1/1/1999, XYZ Association had 575 members. On 1/1/2000, XYZ had 612 members, 77 of them being new members. Thus, (612 - 77)/575 = 0.930 or 93% retention.

Retention is an important number, because it tells the association if it's keeping members that it is acquiring or if it is losing an unusually large number of members. Retention is also key because research has shown that acquiring new members and customers can cost anywhere from 8 to 16 times the cost of retaining an existing member or customer.

Market penetration is another relatively easy formula, assuming the association has two key numbers: current number of members and the universe of potential members. For many associations, determining the universe of members can be difficult, especially if the association has a broad range of membership categories. But assuming a universe can be identified, the formula is simple: number of current members divided by the number of the universe. For example:

> On 1/1/2000, XYZ Association, representing accredited higher education institutions in the United States, has 2512 members. The universe of accredited higher education institutions in the United States is 3215. Thus, 2512/3215 = .781 or 78%. XYZ Association has a market penetration of 78%.

Market penetration can be important for several reasons. If the association lobbies on behalf of the industry, with higher market penetration it can claim to be "the voice of the industry." High market penetration also increases the value of advertising space in the association's publications. Market penetration also demonstrates growth potential for the association in terms of membership numbers and revenue. High market penetration (over 90%) may not allow for much future growth in terms of member numbers and dues revenue; thus the association may need to look beyond membership dues for additional revenue. On the other hand, low market penetration may be an opportunity for increased dues revenue or may indicate the association is not providing enough value to the market it is serving.

A third statistic that can be mined from the database is LTV. Simply defined, LTV is the total dollar value of a member for the life of his or her membership. That is, if the association adds all revenue received from a member (dues, products, and services) over the entire period of time the member is involved with the association, this is the LTV of the member. Association executives should calculate LTV for their membership to measure whether their recruitment and retention efforts are effective. The key statistics to calculating LTV are average number of years a member stays with the association and the average amount of money (including dues) spent by a member each year.

Multiplying these two numbers together provides the LTV. For example:

> At the XYZ Association, the average member stays in the association for 11 years. The average member spends $2,150 per year with the association, including dues, meeting attendance, and publication purchases. Thus, the LTV of the average member is 11 × $2,150 or $23,650. This is important because while dues for a new member may be only $1,500, the association may choose to spend several multiples of $1,500 to acquire a new member, because the LTV is much higher than one year's dues.

Data Interpretation—What Are the Statistics Saying?

All of these data can be important to the management of the association, especially in identifying trends in membership. Tracking total membership and revenue over the course of several years can demonstrate whether there is a shift occurring in the industry or universe being served by the association. In addition to membership numbers and dues revenue, an association might track data such as purchasing history by company, attendance at association meetings, advertising and sponsorship revenue, and other revenue sources. Tracking these data over time and comparing numbers from year to year can provide associations with great insight into the behavior of their members.

Case Study: The Food and Drug Law Institute

In the mid-1990s, like many other associations representing the food, drug, and medical device industries, the Food and Drug Law Institute (FDLI) was faced with a declining number of top-tier member companies, as a result of corporate mergers. Faced with declining membership numbers and a corresponding decline in membership dues revenue, FDLI looked to its data to determine if a dues increase for the top-tier member companies was warranted. An analysis of the data showed that while the average company was sending about 2 people per year to FDLI educational events, the largest companies were sending more than 10. Through greater participation, the top-tier companies were getting a greater benefit from membership, along with a greater amount of discounts compared to the nonmember price. Thus FDLI's board agreed to raise dues on this membership segment to balance the amount of benefit to the company against the amount of dues being paid and to offset the loss of revenue due to mergers among the largest companies. The end result was that 100 percent of FDLI's top-tier companies maintained their membership, even with a 50 percent increase in annual dues.

Using the Database for Recruitment, Retention, and Marketing

Marketing

Perhaps the greatest value of the association's database is the marketing data collected. Associations can use their data to help them market products and services more effectively and identify growth areas, new products, and maturing or dying products.

Using Recency/Frequency/Monetary Value (RFM) analysis, the association can mine its data for information on its best members or customers. Simply put, RFM suggests that the best customers in the database are those who have recently purchased a product or service, have purchased several products and/or services, and have spent greater sums of money on these products and services. With a well-maintained database, the association can analyze the buying habits of its members and customers and develop a target list of those members and customers most likely to purchase another product or service from the association.

In addition to RFM, the association's data can also help identify growth areas, new products, and maturing or dying products. This information is gleaned from sales data but will require creative thinking and analysis on the part of association staff. To identify growth areas and new products, staff must analyze the trends in the types of products and services being purchased. Do the products and services with greater sales have a common theme among them? For example, if a printed piece on a particular subject is selling well, is there an opportunity to develop a seminar or educational session around the topic? Could complementary software be created?

Is there a particular format that sells better than others? Do the members and customers prefer electronic formats to printed material? Do they prefer video-conferencing to on-site meetings? All of this information can be gleaned from a thoughtful analysis of existing data.

Finally, sales data can provide insight into products and services whose appeal is waning. Analyzing the sales trends of a particular product may show that sales are decreasing. Before concluding that the product has matured, association staff must weigh other factors, including quantity and quality of marketing for the product, timeliness of the

issue addressed by the product, and other issues, such as pricing. Keeping in mind all these considerations, sales trends can help association staffers decide if further efforts should be made on maturing or dying products.

Retention

Retaining members is a continuous challenge for all associations. Communicating clearly and appropriately with members can be key to retention. Besides telling staff how many current members there are, the association database can track how often members are "touched" throughout the year. Association staff should record each contact made to members, be it through direct mail promotion of a product or service, notices about upcoming business meetings, or e-mail announcements about legislative issues. Each time the association speaks to its members, the database can track what was said and when it was said. These data can be used to ensure that members are being communicated with in a timely and appropriate manner.

In addition to tracking how and when the association is communicating with members, the database can also provide clues as to when a member is most likely to drop membership. If the association has been tracking join dates and drop dates for an extended period, these data can tell the association at what point in a member's "life" he or she is most likely to drop membership and provide the association an opportunity to address the issue before the member drops.

For example, by analyzing the join and drop dates of its members over the past 5 years, the XYZ Association found that the average member drops in his or her seventh year of membership. Armed with these data, XYZ Association created a special program where all members entering their seventh year of membership were personally contacted by a member of the association's board of directors, to ensure members' needs were being addressed.

Recruitment

Associations can use their data to develop a profile of the "perfect" member. By collecting a variety of demographic data, the association can determine what the most profitable member "looks like" and then target nonmembers who look like the perfect member.

Depending on the type of association, demographics for trade associations could include company size (sales and staffing), industry served, and geographic location. For professional societies, demographics might include profession, experience, level of education, age, gender, geographic location, household income, and more. The types of demographic criteria to consider are limited only by your imagination.

In addition to the "perfect" member, associations can also use the data to identify nonmembers who purchase a lot of products and services and approach them about membership.

Tracking

Like all other promotions, membership promotion is a sales cycle. Thus the cycle and the promotion efforts can be tracked through the use of source codes, which are recorded in the association database for effectiveness.

For example, the XYZ Association, a professional society, does a direct mail promotion to 10,000 potential members. A source code is printed on the reply form, so when a new member joins from that form, the source code is recorded in the database, showing from which promotion the new member was acquired. In addition to the response form, the letter that is part of the direct mail solicitation lists a special department number with the phone number so that the source code is tracked in the database when a new member calls to join. By vigilantly tracking the source of all new members, the XYZ Association is able to identify which membership promotions are effective and which are not.

Conclusion

As this chapter demonstrates, the process of choosing, implementing, and managing an AMS is not to be taken lightly. Nor is it a process that ends with the installation of a new piece of software. Effective management of the AMS is achieved only through vigilant attention to the details of the database and the use of the data.

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